

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

1a. Type of Work: ☒ DRILL ☐ REENTER

b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☐ Single Zone ☒ Multiple Zone

2. Name of Operator
KERR MCGEE OIL AND GAS ONSHORE LP

3A. Address
1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)
(435) 781-7024

4. Location of Well (Report location clearly and in accordance with any State requirements. *)
At surface **NW/SE 1508'FSL, 1748'FEL 6218654 40.032879**
At proposed prod. Zone **44321764 -109.571715**

14. Distance in miles and direction from nearest town or post office*
11.1 +/- MILES SOUTHEAST OF OURAY, UTAH

15. Distance from proposed*
location to nearest
property or lease line, ft.
(Also to nearest drig. unit line, if any) **1508'**

16. No. of Acres in lease
1600.00

17. Spacing Unit dedicated to this well

40.00

18. Distance from proposed location*
to nearest well, drilling, completed,
applied for, on this lease, ft. **REFER TO
TOPO C**

19. Proposed Depth
10,330'

20. BLM/BIA Bond No. on file
RLB0005239

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
4840'GL

22. Approximate date work will start*
UPON APPROVAL

23. Estimated duration
TO BE DETERMINED

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

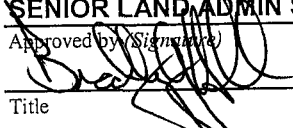
1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office.

4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be required by the authorized office.

25. Signature 
Title
SENIOR LAND ADMIN SPECIALIST

Name (Printed/Typed)
SHEILA UPCHEGO

Date
6/4/2007

Approved by (Signature) 
Title

Name (Printed/Typed)
BRADLEY G. HILL
Office
ENVIRONMENTAL MANAGER

Date
06-14-07

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

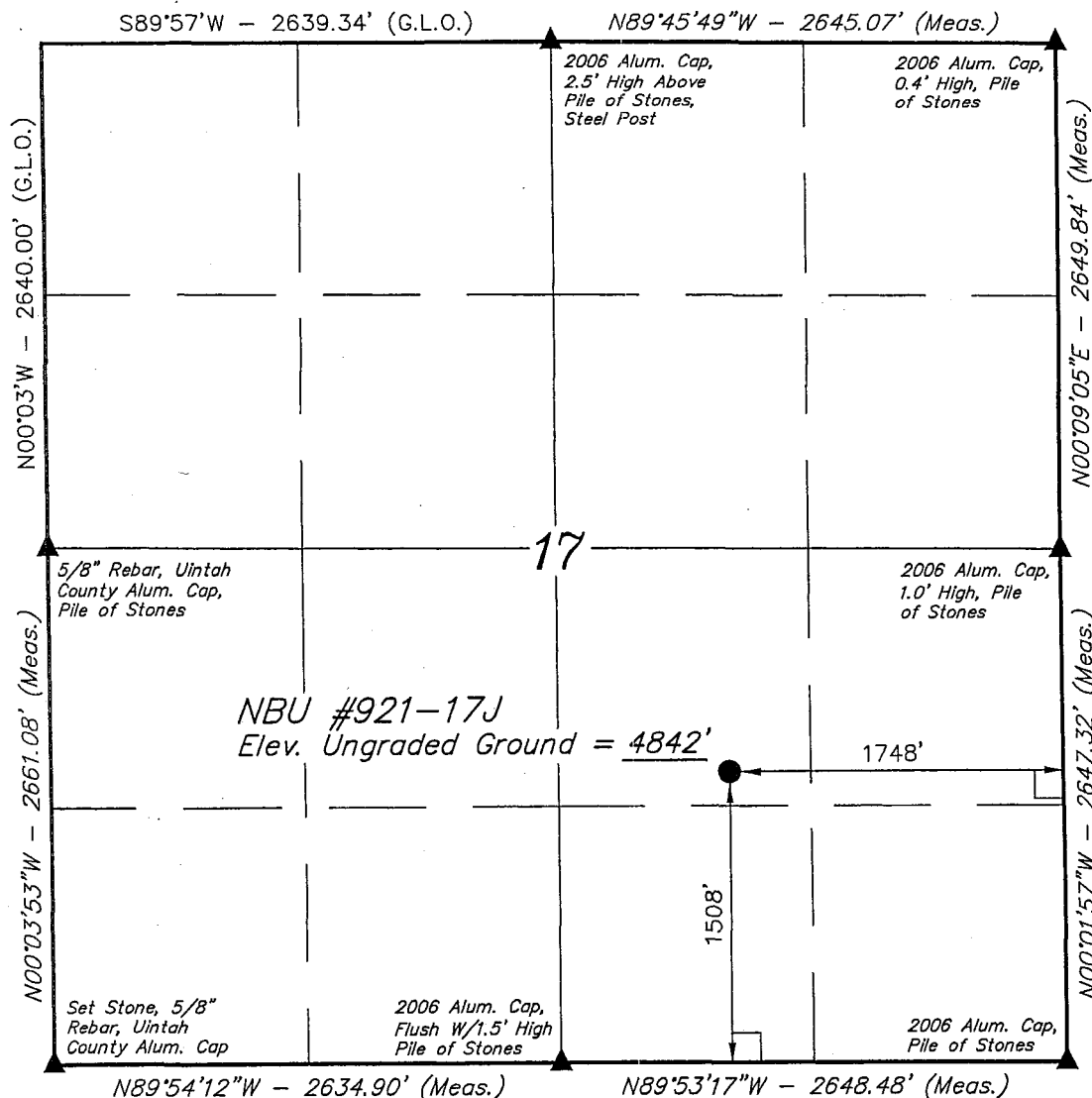
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on reverse)

Federal Approval of this
Action is Necessary

RECEIVED
JUN 11 2007
DIV. OF OIL, GAS & MINING

T9S, R21E, S.L.B.&M.



LEGEND:

└─┘ = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

(NAD 83)
 LATITUDE = 40°01'58.70" (40.032972)
 LONGITUDE = 109°34'20.72" (109.572422)
 (NAD 27)
 LATITUDE = 40°01'58.83" (40.033008)
 LONGITUDE = 109°34'18.24" (109.571733)

Kerr-McGee Oil & Gas Onshore LP

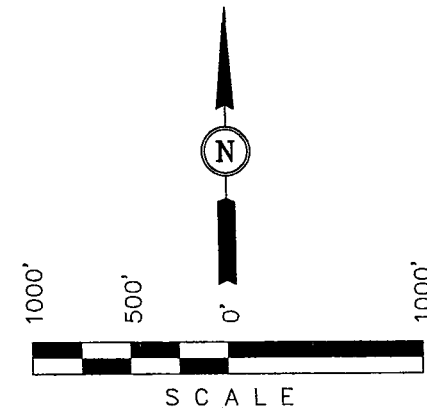
Well location, NBU #921-17J, located as shown in the NW 1/4 SE 1/4 of Section 17, T9S, R21E, S.L.B.&M., Uintah County, Utah.

BASIS OF ELEVATION

TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M., TAKEN FROM THE BIG PACK MTN NE QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET.

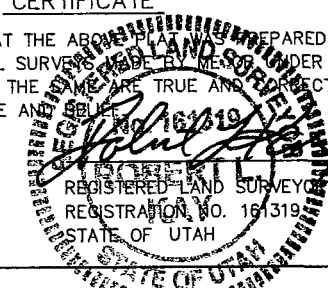
BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEY MADE BY ME, AND UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



UINTAH ENGINEERING & LAND SURVEYING
 85 SOUTH 200 EAST - VERNAL, UTAH 84078
 (435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 03-31-07	DATE DRAWN: 04-04-07
PARTY D.K. M.B. P.M.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE Kerr-McGee Oil & Gas Onshore LP	

NBU 921-17J
NW/SE Sec. 17, T9S, R21E
UINTAH COUNTY, UTAH
UTU-0575

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. **Estimated Tops of Important Geologic Markers:**

<u>Formation</u>	<u>Depth</u>
Uinta	0- Surface
Green River	1695'
Top of Birds Nest Water	2005'
Mahogany	2388'
Wasatch	5117'
Mesaverde	8139'
MVU2	9020'
MVL1	9586'
TD	10330'

2. **Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:**

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
	Green River	1695'
	Top of Birds Nest Water	2005'
	Mahogany	2388'
	Wasatch	5117'
Gas	Mesaverde	8139'
Gas	MVU2	9020'
Gas	MVL1	9586'
Gas	N/A	
Water	N/A	
Other Minerals		

3. **Pressure Control Equipment** (Schematic Attached)

Please see the Natural Buttes Unit Standard Operating Procedure (SOP).

4. **Proposed Casing & Cementing Program:**

Please see the Natural Buttes Unit SOP.

5. **Drilling Fluids Program:**

Please see the Natural Buttes Unit SOP.

6. **Evaluation Program:**

Please see the Natural Buttes Unit SOP.

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 10,330' TD, approximately equals 6405 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 4132 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates:**

Drilling is planned to commence immediately upon approval of this application.

9. **Variances:**

Please see Natural Buttes Unit SOP.

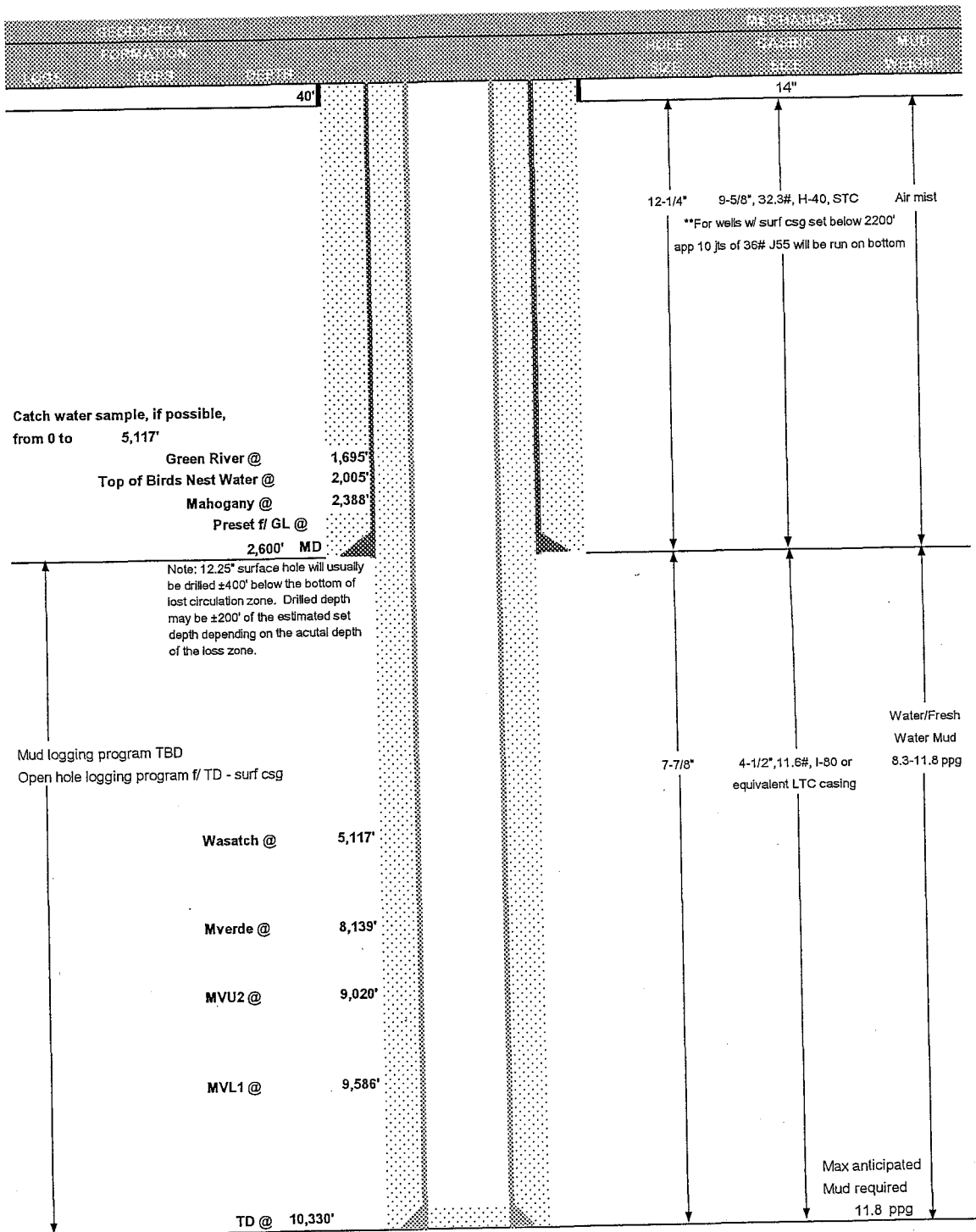
10. **Other Information:**

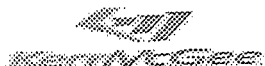
Please see Natural Buttes Unit SOP.



KERR-McGEE OIL & GAS ONSHORE LP DRILLING PROGRAM

COMPANY NAME KERR-McGEE OIL & GAS ONSHORE LP DATE May 31, 2007
WELL NAME NBU 921-17J TD 10,330' MD/TVD
FIELD Natural Buttes COUNTY Uintah STATE Utah ELEVATION 4,840' GL KB 4,855'
SURFACE LOCATION NWSE, SEC 17-T9S-R21E, 1508' FSL 1748' FEL BHL Straight Hole
Latitude: 40.032972 Longitude: 109.572422
OBJECTIVE ZONE(S) Wasatch/Mesaverde
ADDITIONAL INFO Regulatory Agencies: TRIBAL SURF & BLM MINERALS, UDOGM, Tri-County Health Dept.





KERR-McGEE OIL & GAS ONSHORE LP DRILLING PROGRAM

CASING PROGRAM

	Size	Depth	Weight	Grade	Material	Yield	API	API
CONDUCTOR	14"	0-40'				2270	1370	254000
SURFACE	9-5/8"	0 to 2200	32.30	H-40	STC	0.56*****	1.33	3.45
	9-5/8"	2200 to 2600	36.00	J-55	STC	1.10*****	1.66	7.67
PRODUCTION	4-1/2"	0 to 10330	11.60	I-80	LTC	1.91	1.00	1.92

1) Max Anticipated Surf. Press.(MASP) (Surface Casing) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point))

2) MASP (Prod Casing) = Pore Pressure at TD - (.22 psi/ft-partial evac gradient x TD)

(Burst Assumptions: TD = 11.8 ppg)

.22 psi/ft = gradient for partially evac wellbore

(Collapse Assumption: Fully Evacuated Casing, Max MW)

(Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)

MASP 4066 psi

***** Burst SF is low but csg is stronger than formation at 2600 feet

***** EMW @ 2600 for 2270# is 16.8 ppg or 0.9 psi/ft

CEMENT PROGRAM

	Depth	Material	Yield	API	API	API
SURFACE	LEAD 500	Premium cmt + 2% CaCl + 25 pps floccle	215	60%	15.60	1.18
Option 1	TOP OUT CMT (1) 250	20 gals sodium silicate + Premium cmt + 2% CaCl + 25 pps floccle	100		15.60	1.18
	TOP OUT CMT (2) as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
SURFACE	LEAD 2000	Prem cmt + 16% Gel + 10 pps gilsonite + 25 pps Floccle + 3% salt BWOC	230	35%	11.00	3.82
Option 2	TAIL 500	Premium cmt + 2% CaCl + 25 pps floccle	180	35%	15.60	1.18
	TOP OUT CMT as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD 4,610'	Premium Lite II + 3% KCl + 0.25 pps cellufake + 5 pps gilsonite + 10% gel + 0.5% extender	500	60%	11.00	3.38
	TAIL 5,720'	50/50 Poz/G + 10% salt + 2% gel + 1% R-3	1600	60%	14.30	1.31

*Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained

*Substitute caliper hole volume plus 10% excess for TAIL if accurate caliper is obtained

FLOAT EQUIPMENT & CENTRALIZERS

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe.
PRODUCTION	Float shoe, 1 jt, float collar. Centralize first 3 joints & every third joint to top of tail cement with bow spring centralizers.

ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 5M with one annular and 2 rams. Test to 5,000 psi (annular to 2,500 psi) prior to drilling out. Record on chart recorder &

tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper

& lower kelly valves.

Drop Totco surveys every 2000'. Maximum allowable hole angle is 5 degrees.

Most rigs have PVT Systems for mud monitoring. If no PVT is available, visual monitoring will be utilized.

DRILLING ENGINEER:

Brad Laney

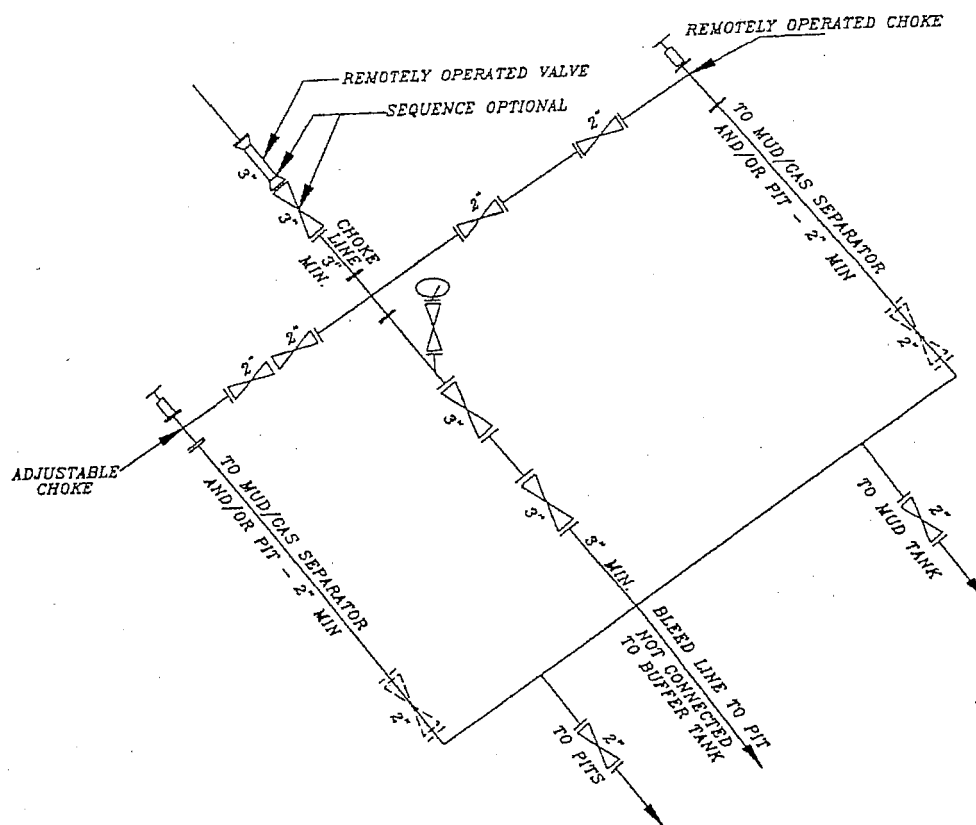
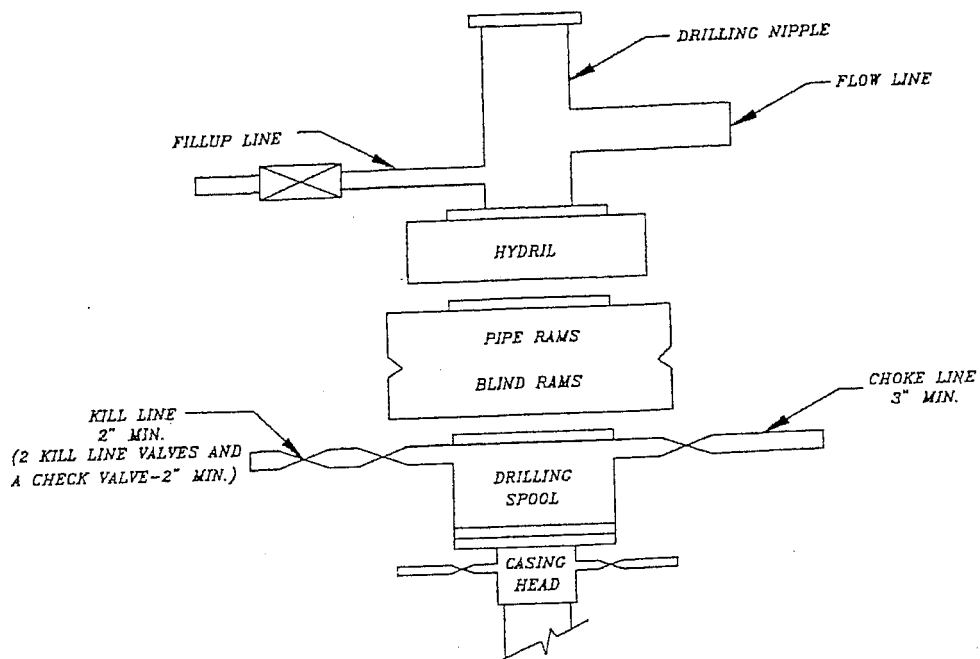
DATE: _____

DRILLING SUPERINTENDENT:

Randy Bayne

DATE: _____

5M BOP STACK and CHOKE MANIFOLD SYSTEM



NBU 921-17J
NW/SE SEC. 17, T9S, R21E
UINTAH COUNTY, UTAH
UTU-0575

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. **Existing Roads:**

Refer to the attached location directions.

Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

2. **Planned Access Roads:**

Please see the Natural Buttes Unit Standard Operating Procedure (SOP).

Approximately 0.15 +/- miles of new access road. Please refer to the attached Topo Map B.

3. **Location of Existing Wells Within a 1-Mile Radius:**

Please refer to Topo Map C.

4. **Location of Existing & Proposed Facilities:**

Please see the Natural Buttes Unit SOP.

Approximately 2118' +/- of 4" pipeline is proposed from the location to an existing pipeline.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The requested color is Carlsbad Canyon Brown (2.5Y 6/2), a non-reflective earthtone.

5. **Location and Type of Water Supply:**

Please see the Natural Buttes SOP.

6. **Source of Construction Materials:**

Please see the Natural Buttes SOP.

7. **Methods of Handling Waste Materials:**

Please see the Natural Buttes SOP.

Any produced water from the proposed well will be contained in a water tank and will then be hauled by truck to one of the pre-approved disposal sites: RNI, Sec. 5, T9S, R22E, NBU #159, Sec. 35, T9S R21E, Ace Oilfield, Sec. 2, T6S, R20E, MC&MC, Sec. 12, T6S, R19E (*Request is in lieu of filing Form 3160-5, after initial production*).

8. **Ancillary Facilities:**

Please see the Natural Buttes SOP.

9. **Well Site Layout:** (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

Culverts will be installed where needed.

A run off diversion for drainage will be constructed where needed.

The reserve pit will be lined. When the reserve pit is closed the pit liner will be buried below plow depth.

Location size may change prior to the drilling of the well due to the current rig availability. If the proposed location is not large enough to accommodate the drilling rig. The location will be re-surveyed and a form 3160-5 will be submitted.

10. **Plans for Reclamation of the Surface:**

Please see the Natural Buttes SOP.

11. **Surface Ownership:**

The well pad and access road are located on lands owned by:

Ute Indian Tribe
P.O. Box 70
Fort Duchesne, Utah 84026
(435) 722-5141

12. **Other Information:**

A Class III Archaeological Survey Report has been conducted for this location and submitted to the Ute Indian Tribe prior to the on-site inspection.

This location is not within 460' from the boundary of the Natural Buttes Unit, nor is it within 460' of any non-committed tract lying within boundaries of the unit.

13. Lessee's or Operator's Representative & Certification:

Sheila Upchego
Senior Land Admin Specialist
Kerr-McGee Oil & Gas Onshore LP
1368 South 1200 East
Vernal, UT 84078
(435) 781-7024

Randy Bayne
Drilling Manager
Kerr-McGee Oil & Gas Onshore LP
1368 South 1200 East
Vernal, UT 84078
(435) 781-7018

Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

Kerr-McGee Oil & Gas Onshore LP is considered to be the operator of the subject well. Kerr-McGee Oil & Gas Onshore LP agrees to be responsible under the terms and conditions of the lease for the operations conducted upon leased lands.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by Bureau of Indian Affairs Nationwide Bond #RLB0005239, Bureau of Land Management Nationwide Bond #WYB000291 and State of Utah Bond #RLB0005237.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the Operator, its contractors, and subcontractors in conformity with this plan and the terms and conditions under which it is approved.


Sheila Upchego

6/4/2007

Date

Kerr-McGee Oil & Gas Onshore LP

NBU #921-17J

SECTION 17, T9S, R21E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; TURN LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY, THEN NORTHEASTERLY DIRECTION APPROXIMATELY 3.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY, THEN EASTERLY DIRECTION APPROXIMATELY 1.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 2.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.15 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; TURN RIGHT AND PROCEED IN A NORTHERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTHWEST; FOLLOW ROAD FLAGS IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.15 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 42.1 MILES.

Kerr-McGee Oil & Gas Onshore LP

NBU #921-17J

LOCATED IN UINTAH COUNTY, UTAH
SECTION 17, T9S, R21E, S.L.B.&M.

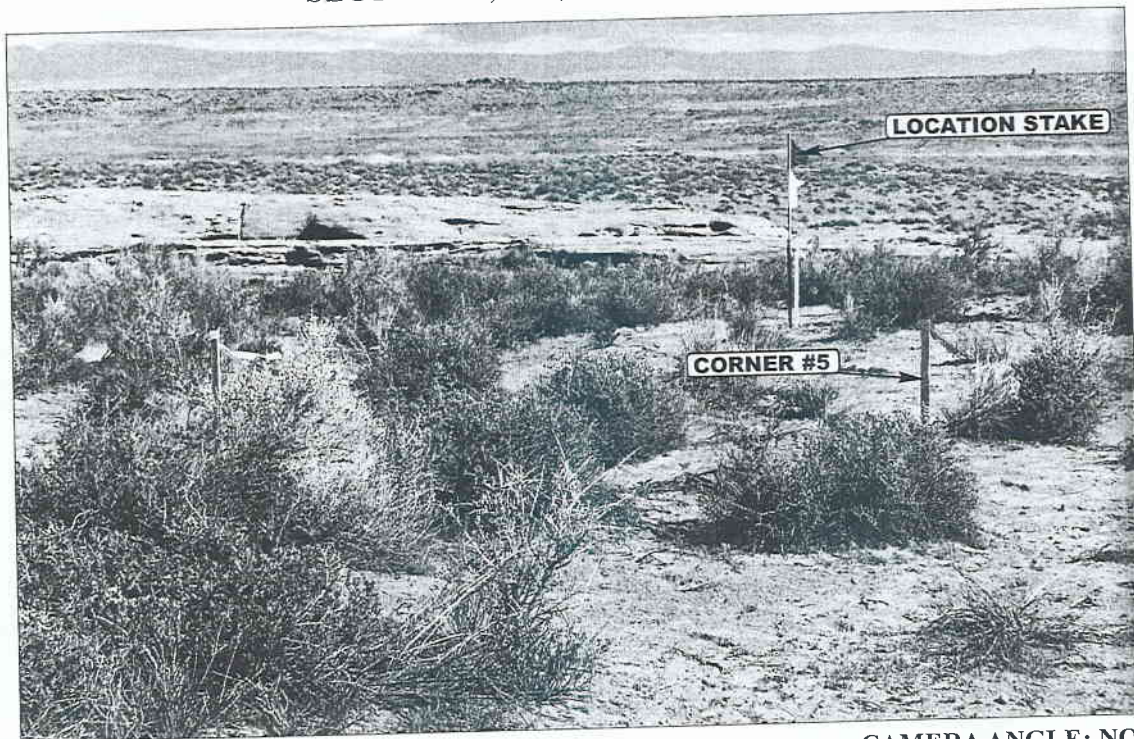


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHERLY

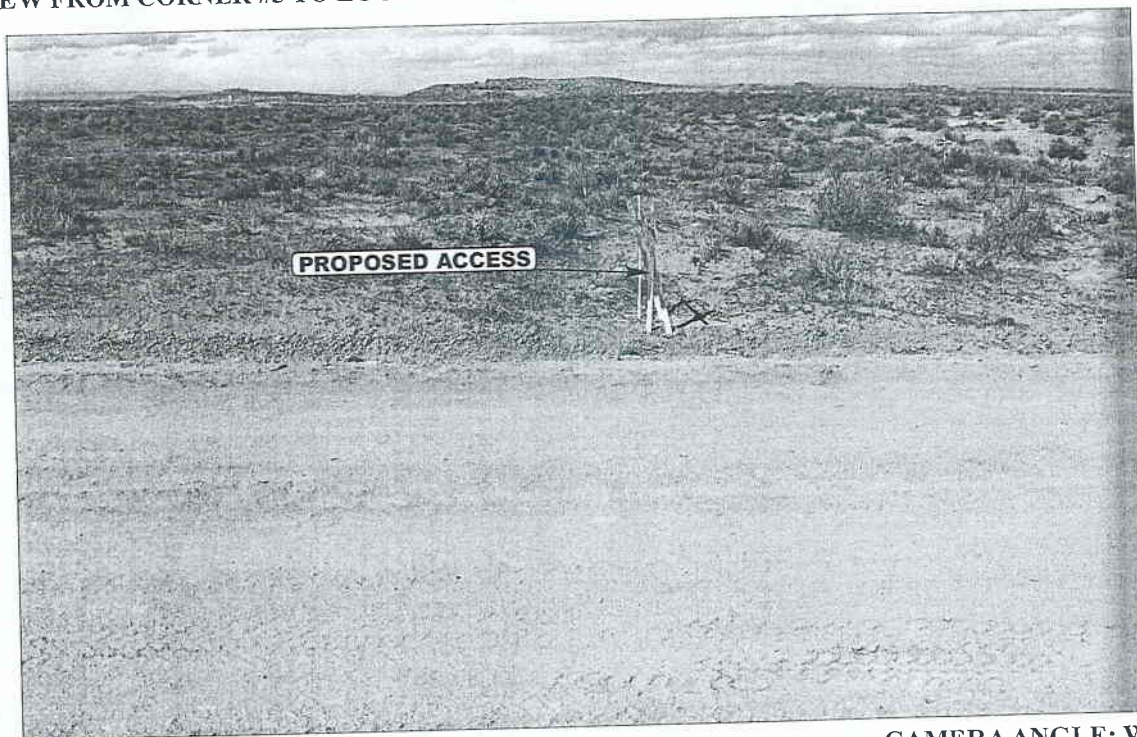


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: WESTERLY



- Since 1964 -

UELS

Uintah Engineering & Land Surveying

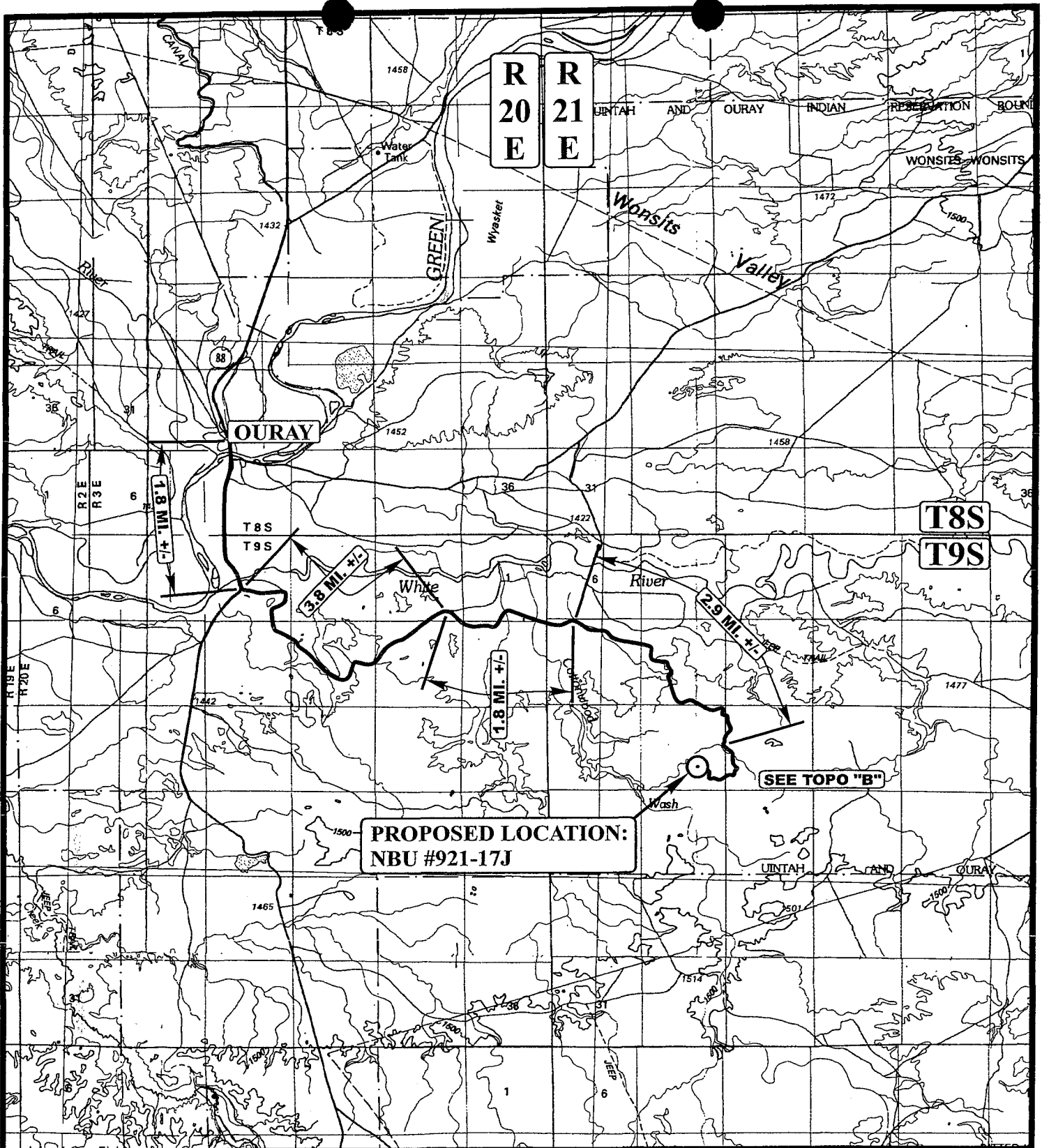
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

04 04 07
MONTH DAY YEAR

PHOTO

TAKEN BY: D.K. DRAWN BY: C.P. REVISED: 00-00-00



LEGEND:

○ PROPOSED LOCATION

N

Kerr-McGee Oil & Gas Onshore LP

NBU #921-17J

SECTION 17, T9S, R21E, S.L.B.&M.

1508' FSL 1748' FEL



Utah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

04 04 07
MONTH DAY YEAR

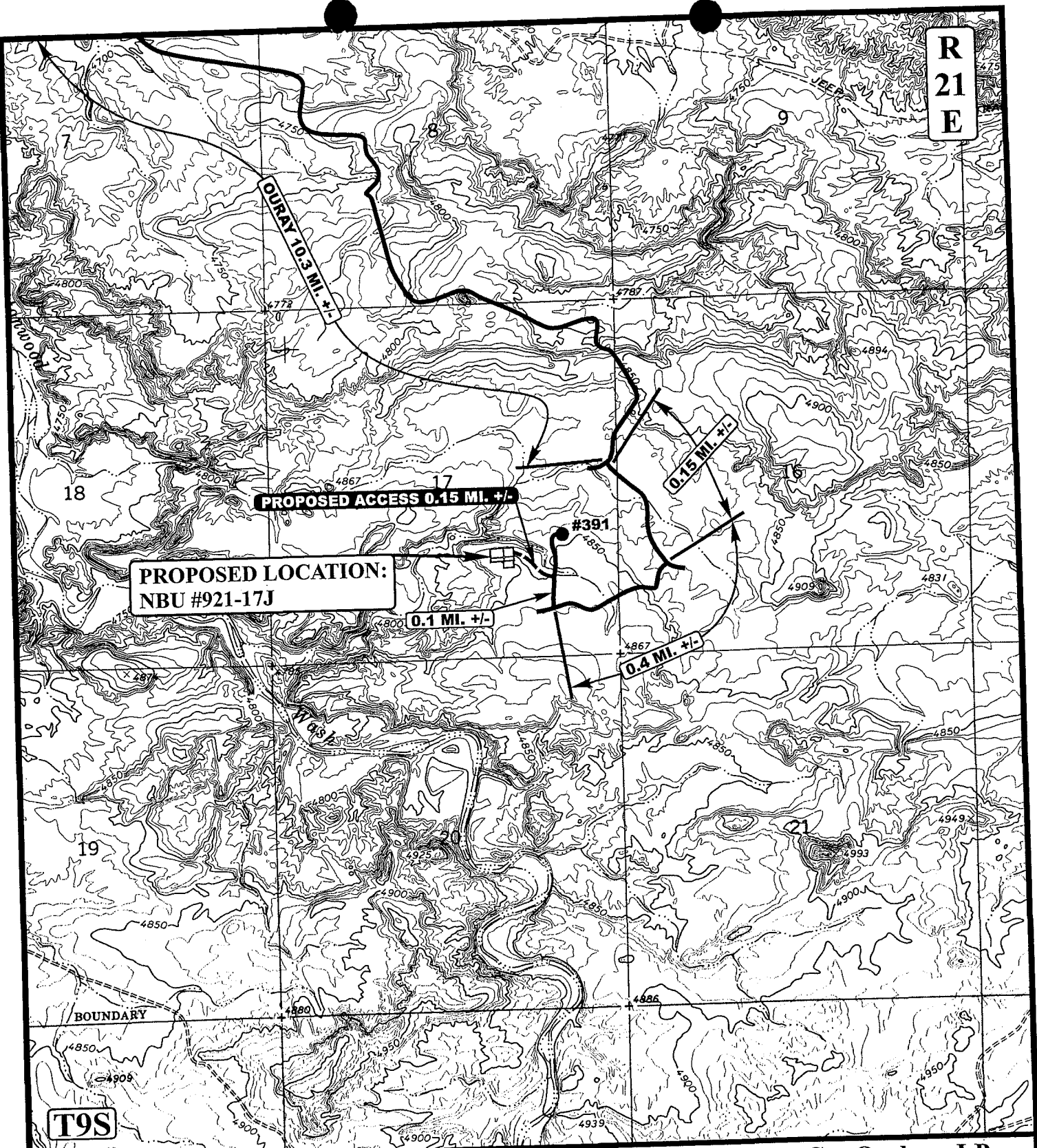
SCALE: 1:100,000

DRAWN BY: C.P.

REVISED: 00-00-00



R
21
E



T9S

LEGEND:

- EXISTING ROAD
- - - - - PROPOSED ACCESS ROAD

Kerr-McGee Oil & Gas Onshore LP

NBU #921-17J

SECTION 17, T9S, R21E, S.L.B.&M.

1508' FSL 1748' FEL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

04	04	07
MONTH	DAY	YEAR

SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00

B
TOPO

T9S

R
21
E

PROPOSED LOCATION:
NBU #921-17J

LEGEND:

- | | |
|-------------------|-------------------------|
| ○ DISPOSAL WELLS | ○ WATER WELLS |
| ● PRODUCING WELLS | ● ABANDONED WELLS |
| ● SHUT IN WELLS | ● TEMPORARILY ABANDONED |

UEIS

Utah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

Kerr-McGee Oil & Gas Onshore LP

NBU #921-17J

SECTION 17, T9S, R21E, S.L.B.&M.

1508' FSL 1748' FEL

TOPOGRAPHIC
MAP

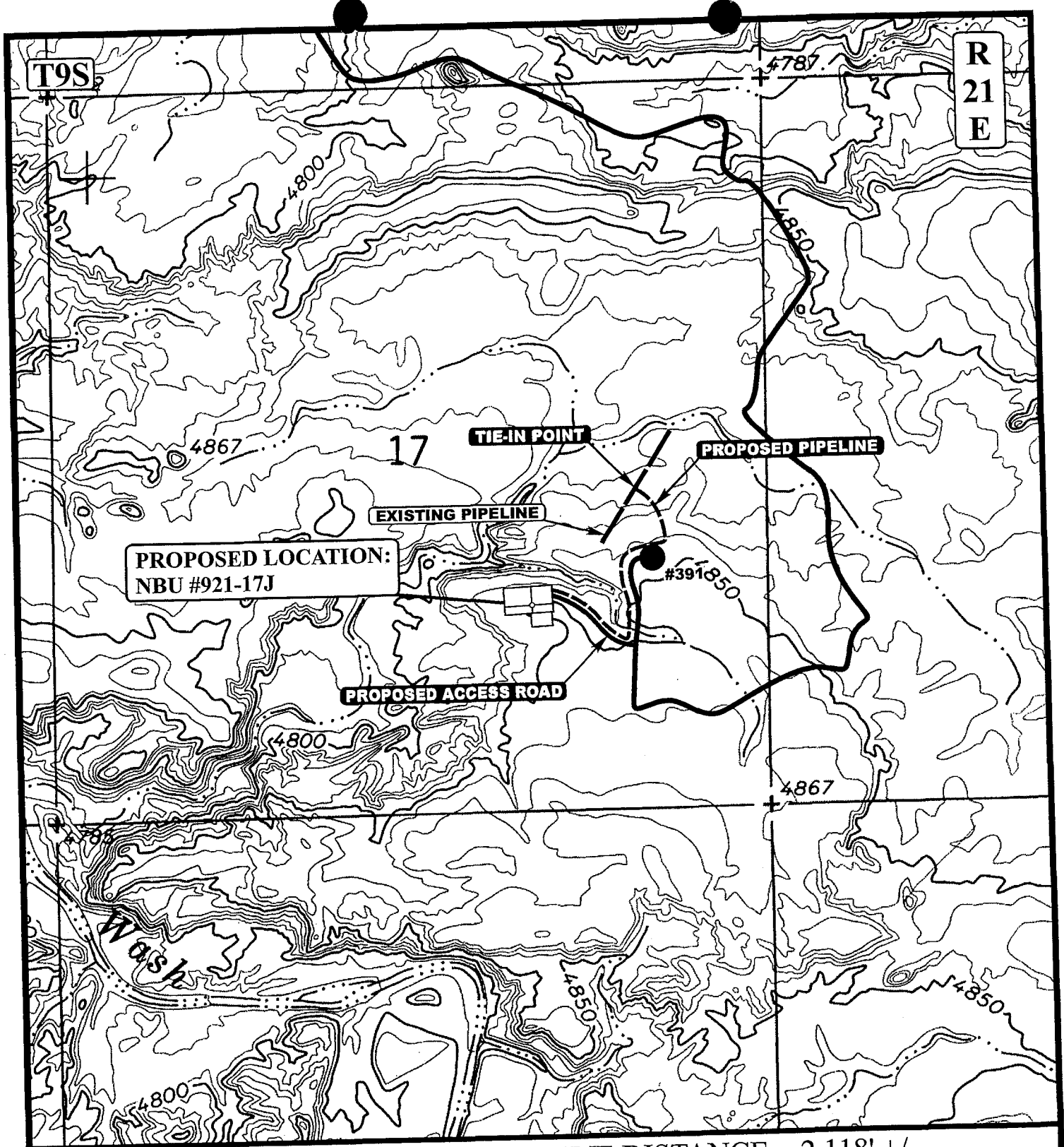
04 04 07
MONTH DAY YEAR

SCALE: 1" = 2000'

DRAWN BY: C.P.

REVISED: 00-00-00

C
TOPO



APPROXIMATE TOTAL PIPELINE DISTANCE = 2,118' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- PROPOSED PIPELINE



Kerr-McGee Oil & Gas Onshore LP

NBU #921-17J

SECTION 17, T9S, R21E, S.L.B.&M.

1508' FSL 1748' FEL



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

**TOPOGRAPHIC
MAP**

04	04	07
MONTH	DAY	YEAR

SCALE: 1" = 1000'

DRAWN BY: C.P.

REVISED: 00-00-00

**D
TOPO**

Kerr-McGee Oil & Gas Onshore LP
NBU #921-17J
PIPELINE ALIGNMENT
LOCATED IN UINTAH COUNTY, UTAH
SECTION 17, T9S, R21E, S.L.B.&M.

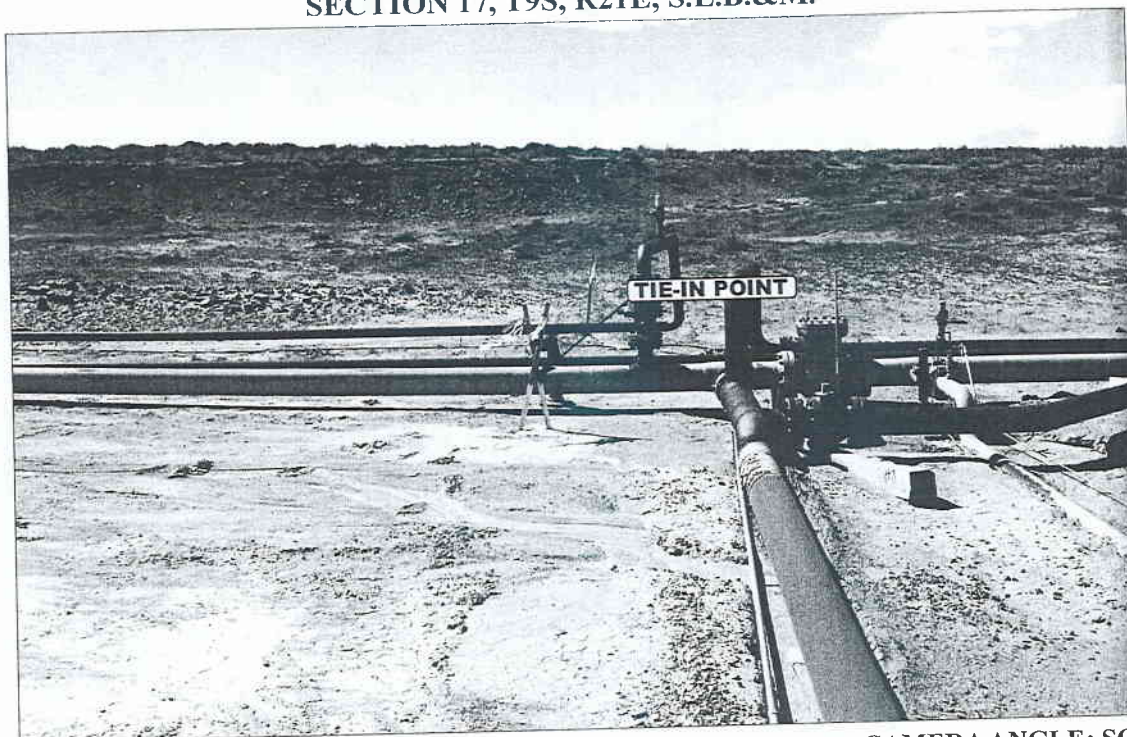


PHOTO: VIEW FROM TIE-IN POINT

CAMERA ANGLE: SOUTHERLY

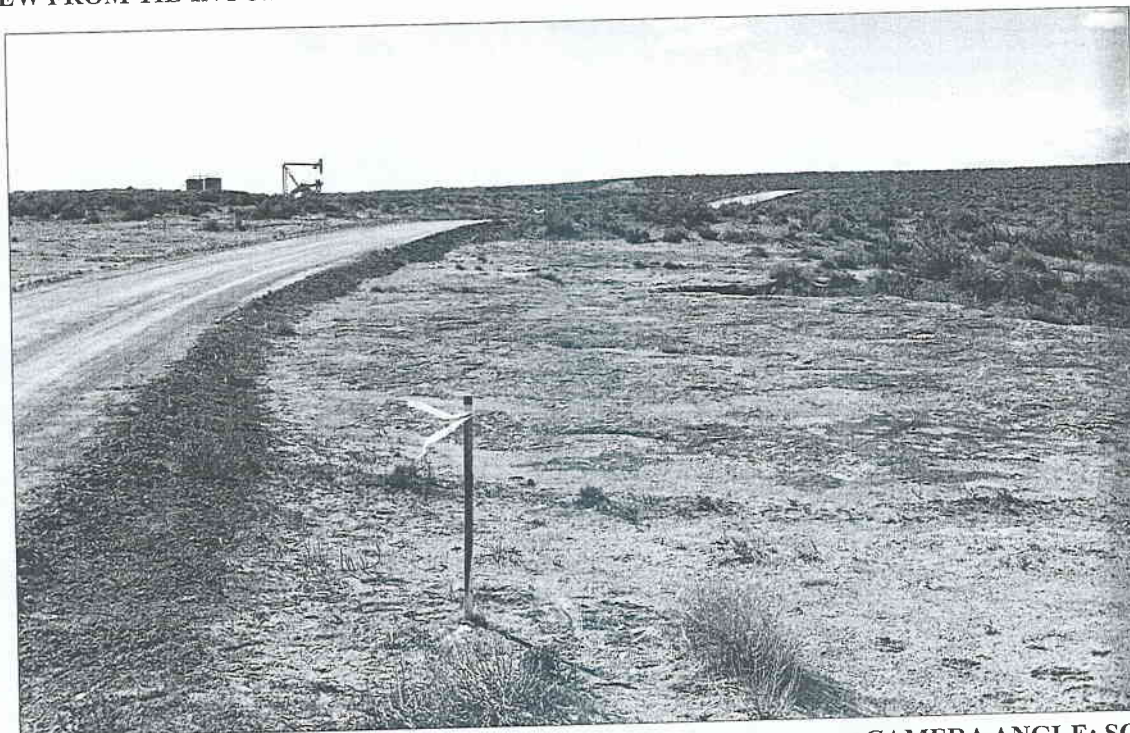


PHOTO: VIEW OF PIPELINE ALIGNMENT

CAMERA ANGLE: SOUTHERLY



- Since 1964 -

UELS Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

PIPELINE PHOTOS

04 04 07
MONTH DAY YEAR

PHOTO

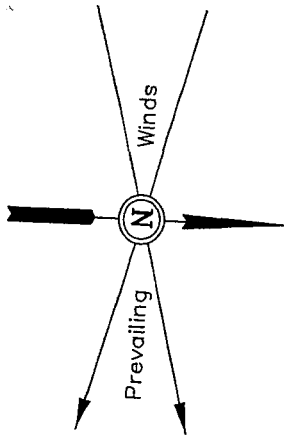
TAKEN BY: D.K. DRAWN BY: C.P. REVISED: 00-00-00

FIGURE #1

NBU #921-17J

1508' FSL 1748' FEL

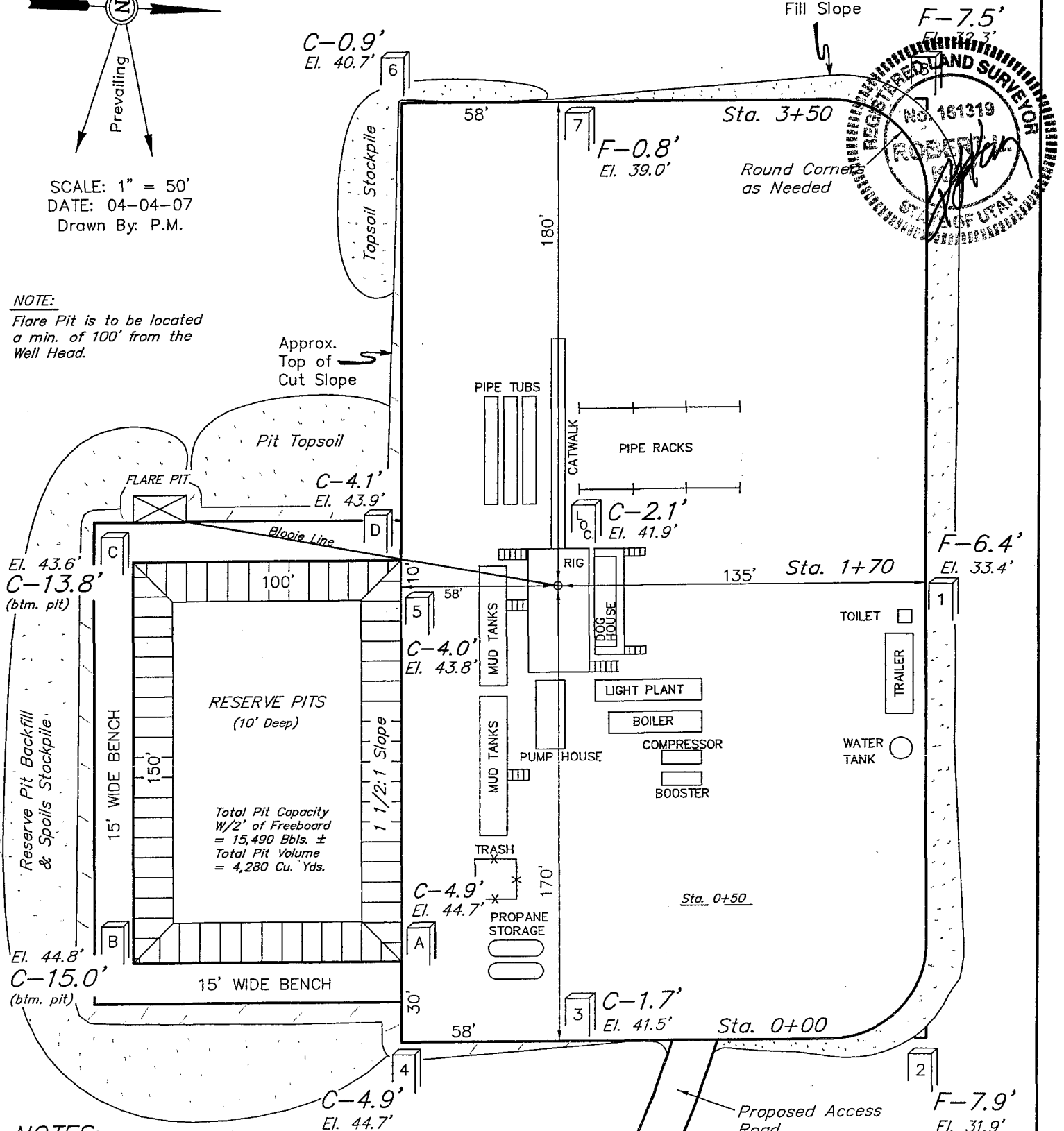
Approx.
Toe of
Fill Slope



Drawn By: P.M.

NOTE:

*Flare Pit is to be located
a min. of 100' from the
Well Head.*



NOTES:

Elev. Ungraded Ground At Loc. Stake = 4841.9'

FINISHED GRADE ELEV. AT LOC. STAKE = 4839.8'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

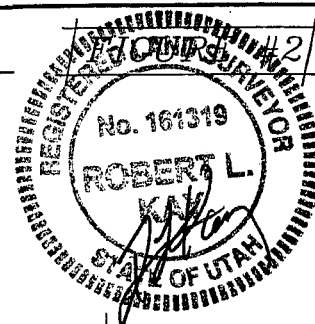
Kerr-McGee Oil & Gas Onshore LP

TYPICAL CROSS SECTIONS FOR

NBU #921-17J

SECTION 17, T9S, R21E, S.L.B.&M.

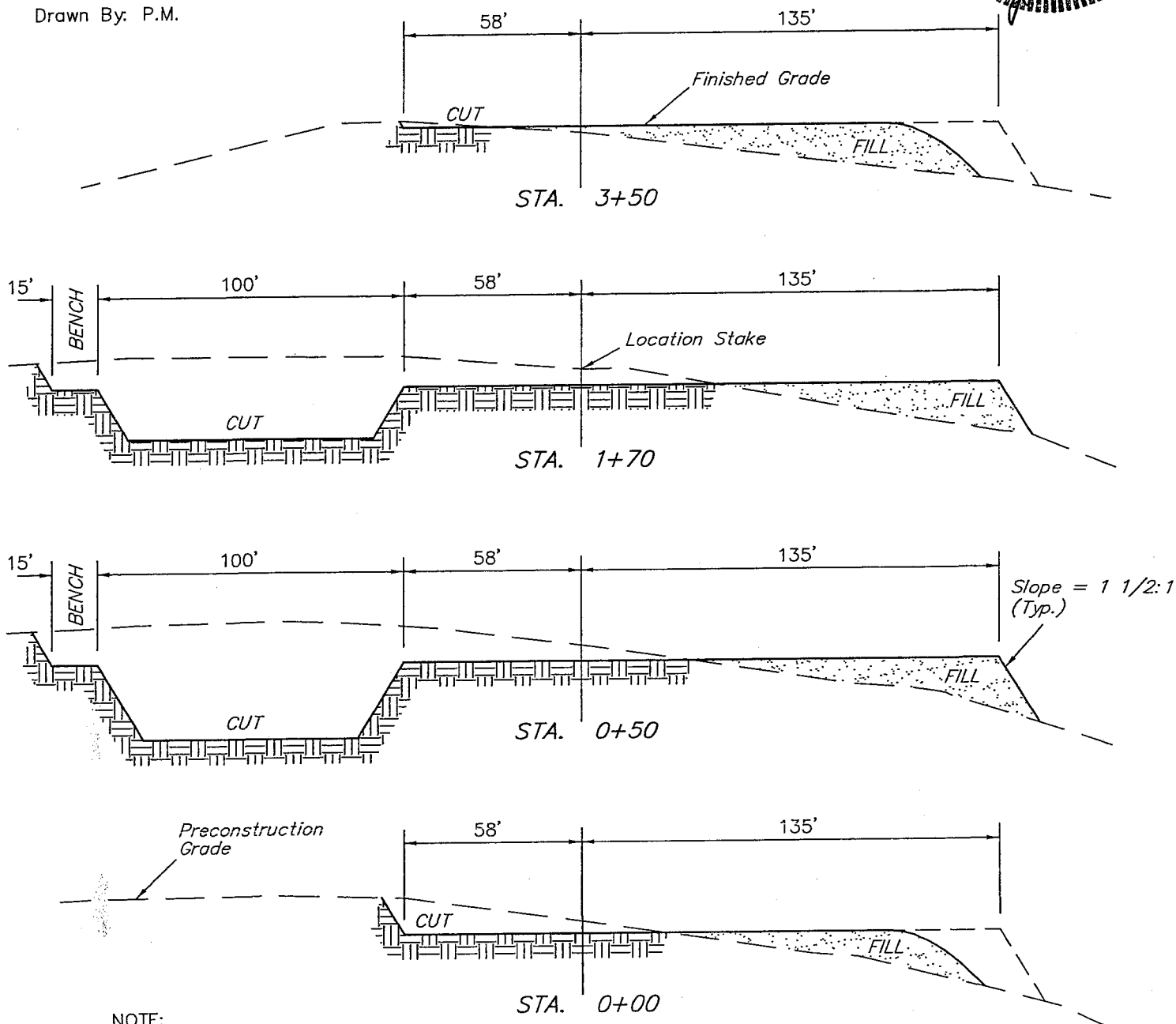
1508' FSL 1748' FEL



1" = 20'
X-Section
Scale
1" = 50'

DATE: 04-04-07

Drawn By: P.M.



NOTE:

Topsoil should not be Stripped Below Finished Grade on Substructure Area.

* NOTE:

FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(12") Topsoil Stripping	= 3,700 Cu. Yds.
Remaining Location	= 8,880 Cu. Yds.
TOTAL CUT	= 12,580 CU.YDS.
FILL	= 6,740 CU.YDS.

EXCESS MATERIAL	= 5,840 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 5,840 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 0 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 06/11/2007

API NO. ASSIGNED: 43-047-39364

WELL NAME: NBU 921-17J

OPERATOR: KERR-MCGEE OIL & GAS (N2995)

PHONE NUMBER: 435-781-7024

CONTACT: SHEILA UPCHEGO

PROPOSED LOCATION:

NWSE 17 090S 210E

SURFACE: 1508 FSL 1748 FEL

BOTTOM: 1508 FSL 1748 FEL

COUNTY: Uintah

LATITUDE: 40.03290 LONGITUDE: -109.5717

UTM SURF EASTINGS: 621865 NORTHINGS: 4432176

FIELD NAME: NATURAL BUTTES (630)

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
-------------	----------	------

Engineering		
-------------	--	--

Geology		
---------	--	--

Surface		
---------	--	--

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-0575

SURFACE OWNER: 2 - Indian

PROPOSED FORMATION: WSMVD

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

☒ Plat

☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. RLB0005239)

☒ Potash (Y/N)

☒ Oil Shale 190-5 (B) or 190-3 or 190-13

☒ Water Permit

(No. 43-8496)

☒ RDCC Review (Y/N)

(Date:)

☒ Fee Surf Agreement (Y/N)

☒ Intent to Commingle (Y/N)

LOCATION AND SITING:

___ R649-2-3.

Unit: NATURAL BUTTES

___ R649-3-2. General

Siting: 460 From Qtr/Qtr & 920' Between Wells

___ R649-3-3. Exception

☒ Drilling Unit

Board Cause No: 173-14

Eff Date: 12-2-99

Siting: 460' for 190-5 & 190-13

___ R649-3-11. Directional Drill

COMMENTS:

See Separate File

STIPULATIONS:

*1- Federal Approval
2- OIL SHALE*

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

June 18, 2007

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2007 Plan of Development Natural Buttes Unit Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2007 within the Natural Buttes Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
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(Proposed PZ Wasatch/MesaVerde)

43-047-39375	NBU 1021-05MT	Sec 05 T10S R21E 0745 FSL 0529 FWL
43-047-39376	NBU 1021-11I	Sec 11 T10S R21E 2387 FSL 1247 FEL
43-047-39377	NBU 1021-11O	Sec 11 T10S R21E 1192 FSL 2437 FEL
43-047-39378	NBU 1021-11N	Sec 11 T10S R21E 1258 FSL 1861 FWL
43-047-39379	NBU 1021-11P	Sec 11 T10S R21E 0232 FSL 1170 FEL
43-047-39380	NBU 1021-11M	Sec 11 T10S R21E 0425 FSL 1318 FWL
43-047-39381	NBU 1021-11J	Sec 11 T10S R21E 2252 FSL 2402 FEL
43-047-39383	NBU 1021-12A	Sec 12 T10S R21E 0835 FNL 0781 FEL
43-047-39382	NBU 1021-12M	Sec 12 T10S R21E 1022 FSL 0329 FWL
43-047-39384	NBU 1021-12N	Sec 12 T10S R21E 0677 FSL 2302 FWL
43-047-39385	NBU 1021-12K	Sec 12 T10S R21E 1532 FSL 1952 FWL
43-047-39386	NBU 1021-12L	Sec 12 T10S R21E 1580 FSL 0196 FWL
43-047-39360	NBU 921-16J	Sec 16 T09S R21E 1994 FSL 1660 FEL
43-047-39361	NBU 921-16HT	Sec 16 T09S R21E 1858 FNL 1013 FEL
43-047-39362	NBU 921-16MT	Sec 16 T09S R21E 1261 FSL 1248 FWL
43-047-39363	NBU 921-17K	Sec 17 T09S R21E 2147 FSL 1635 FWL
43-047-39364	NBU 921-17J	Sec 17 T09S R21E 1508 FSL 1748 FEL
43-047-39365	NBU 921-20M	Sec 20 T09S R21E 0568 FSL 0586 FWL
43-047-39366	NBU 921-20O	Sec 20 T09S R21E 1026 FSL 1859 FEL
43-047-39367	NBU 921-23C	Sec 23 T09S R21E 0817 FNL 1945 FWL
43-047-39368	NBU 921-25NT	Sec 25 T09S R21E 1150 FSL 2607 FWL
43-047-39369	NBU 922-18O	Sec 18 T09S R22E 1255 FSL 2083 FEL

Page 2

43-047-39370 NBU 922-18I Sec 18 T09S R22E 1600 FSL 0901 FEL
43-047-39371 NBU 922-18G Sec 18 T09S R22E 2009 FNL 1936 FEL
43-047-39372 NBU 922-20E Sec 20 T09S R22E 2182 FNL 0452 FWL
43-047-39387 NBU 1022-6B-2 Sec 06 T10S R22E 0160 FNL 2289 FEL
43-047-39389 NBU 1022-24B Sec 24 T10S R22E 1035 FNL 1619 FEL
43-047-39374 NBU 1020-24BT Sec 24 T10S R20E 0914 FNL 1966 FEL
43-047-39373 NBU 1020-01KT Sec 01 T10S R20E 1731 FSL 1834 FWL

Our records indicate the NBU 1022-24B is closer than 460 feet from the Natural Buttes Unit boundary.

We have no objections to permitting the wells so long as the unit operator receives an exception to the locating and siting requirements of the State of Utah (R649-3-2).

/s/ Michael L. Coulthard

bcc: File – Natural Buttes Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:6-18-07



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

June 19, 2007

Kerr-McGee Oil & Gas
1368 S 1200 East
Vernal, UT 84078

Re: Natural Buttes Unit 921-17J Well, 1508' FSL, 1748' FEL, NW SE, Sec. 17, T. 9 South,
R. 21 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39364.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal Office

Operator: Kerr-McGee Oil & Gas
Well Name & Number Natural Buttes Unit 921-17J
API Number: 43-047-39364
Lease: UTU-0575

Location: NW SE **Sec.** 17 **T.** 9 South **R.** 21 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division with 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dustin Doucet at (801) 538-5281 office (801) 733-0983 home

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

2006M

Form 3160-3
(August 1999)

RECEIVED
VERNAL FIELD OFFICE

2007 JUN -5 PM 2:49

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000


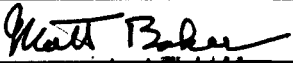
APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER			5. Lease Serial No. UTU-0575	
b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone			6. If Indian, Allottee or Tribe Name TRIBAL SURFACE	
2. Name of Operator KERR MCGEE OIL AND GAS ONSHORE LP			7. If Unit or CA Agreement, Name and No. UNIT #891008900A	
3A. Address 1368 SOUTH 1200 EAST VERNAL, UT 84078		3b. Phone No. (include area code) (435) 781-7024		
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NW/SE 1508'FSL, 1748'FEL At proposed prod. Zone			8. Lease Name and Well No. NBU 921-17J	
14. Distance in miles and direction from nearest town or post office* 11.1 +/- MILES SOUTHEAST OF OURAY, UTAH			9. API Well No. 43 047 39 364	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1508'		10. Field and Pool, or Exploratory NATURAL BUTTES		
16. No. of Acres in lease 1600.00		11. Sec., T., R., M., or Blk, and Survey or Area SEC. 17, T9S, R21E		
17. Spacing Unit dedicated to this well 40.00		12. County or Parish UINTAH		
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. REFER TO TOPO C		13. State UTAH		
19. Proposed Depth 10,330'		20. BLM/BIA Bond No. on file RLB0005239		
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4840'GL		22. Approximate date work will start* UPON APPROVAL		
23. Estimated duration TO BE DETERMINED				

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- | | |
|------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification. |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office. | 6. Such other site specific information and/or plans as may be required by the authorized office. |

25. Signature 		Name (Printed/Typed) SHEILA UPCHEGO		Date 6/4/2007	
Title SENIOR LAND ADMIN SPECIALIST					
Approved by (Signature) 		Name (Printed/Typed) MATT BAKER		Date	
Title ACTING Assistant Field Manager		Office VERNAL FIELD OFFICE			
Lands & Mineral Resources					

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on reverse)

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED

RECEIVED

FEB 26 2008

DIV. OF OIL, GAS & MINING

NO NOS
07H00057A



UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: Kerr-McGee Oil & Gas Onshore, LP Location: NWSE, Sec. 17, T9S, R21E
Well No: NBU 921-17J Lease No: UTU-0575
API No: 43-047-39364 Agreement: Natural Buttes Unit

Title	Name	Office Phone Number	Cell Phone Number
Petroleum Engineer:	Matt Baker	(435) 781-4490	(435) 828-4470
Petroleum Engineer:	Michael Lee	(435) 781-4432	(435) 828-7875
Petroleum Engineer:	James Ashley	(435) 781-4470	(435) 828-7874
Petroleum Engineer:	Ryan Angus	(435) 781-4430	(435) 828-7368
Supervisory Petroleum Technician:	Jamie Sparger	(435) 781-4502	(435) 828-3913
NRS/Enviro Scientist:	Karl Wright	(435) 781-4484	(435) 828-7381
NRS/Enviro Scientist:	Holly Villa	(435) 781-4404	
NRS/Enviro Scientist:		(435) 781-4476	
NRS/Enviro Scientist:	Chuck Macdonald	(435) 781-4441	(435) 828-7481
NRS/Enviro Scientist:	Michael Cutler	(435) 781-3401	(435) 828-3546
NRS/Enviro Scientist:	Anna Figueroa	(435) 781-3407	(435) 828-3548
NRS/Enviro Scientist:	Verlyn Pindell	(435) 781-3402	(435) 828-3547
NRS/Enviro Scientist:	Darren Williams	(435) 781-4447	
NRS/Enviro Scientist:	Nathan Packer	(435) 781-3405	(435) 828-3545

Fax: (435) 781-3420

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.**

NOTIFICATION REQUIREMENTS

Construction Activity	The Ute Tribe Energy & Minerals Dept. shall be notified in writing 48 hours in advance of any construction activity. The Ute Tribal office is open Monday through Thursday.
Construction Completion	Upon completion of the pertinent APD/ROW construction, notify the Ute Tribe Energy & Minerals Dept. for a Tribal Technician to verify the Affidavit of Completion.
Spud Notice (Notify Petroleum Engineer)	Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supv. Petroleum Tech.)	Twenty-Four (24) hours prior to running casing and cementing all casing strings.
BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.)	Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify Petroleum Engineer)	Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

**SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)**

General Surface COAs

- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer AO. A report will be prepared by a BLM permitted paleontologist and submitted to the AO at the completion of surface disturbing activities.

Specific Surface COAs

- Paint tanks Carlsbad tan
- Install culvert in corridor
- A 30' foot corridor right-of-way shall be approved. Upon completion of each pipeline in corridor, they shall be identified and filed with the Ute Tribe.
- A qualified Archaeologist accompanied by a Tribal Technician will monitor trenching construction of pipeline.
- The Ute Tribe Energy & Minerals Department is to be notified, in writing 48 hours prior to construction of pipeline.
- Construction Notice shall be given to the department on the Ute Tribe workdays, which are Monday through Thursday. The Company understands that they may be responsible for costs incurred by the Ute Tribe after hours.
- The Company shall inform contractors to maintain construction of pipelines within the approved ROWs.
- The Company shall assure the Ute Tribe that "ALL CONTRACTORS, INCLUDING SUB-CONTRACTORS, LEASING CONTRACTORS, AND ETC." have acquired a current and valid Ute Tribal Business License and have "Access Permits" prior to construction, and will have these permits in all vehicles at all times.
- You are hereby notified that working under the "umbrella" of a company does not allow you to be in the field, and can be subject to those fines of the Ute Tribe Severance Tax Ordinance.
- Any deviation of submitted APD's and ROW applications the Companies will notify the Ute Tribe and BIA in writing and will receive written authorization of any such change with appropriate authorization.
- The Company will implement "Safety and Emergency Plan." The Company's safety director will ensure its compliance.

- All Company employees and/or authorized personnel (sub-contractors) in the field will have approved applicable APD's and/or ROW permits/authorizations on their person(s) during all phases of construction.
- All vehicular traffic, personnel movement, construction/restoration operations should be confined to the area examined and approved, and to the existing roadways and/or evaluated access routes.
- All personnel should refrain from collecting artifacts, any paleontological fossils, and from disturbing any significant cultural resources in the area.
- The personnel from the Ute Tribe Energy & Minerals Department should be notified should cultural remains from subsurface deposits be exposed or identified during construction. All construction will cease.
- All mitigative stipulations contained in the Bureau of Indian Affairs Site Specific Environmental Assessment (EA) will be strictly adhered.
- Upon completion of Application for Corridor Right-Way, the company will notify the Ute Tribe Energy & Minerals Department, so that a Tribal Technician can verify Affidavit of Completion.

DOWNHOLE CONDITIONS OF APPROVAL

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

- None

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- Blowout prevention equipment BOPE shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources such as Gilsonite, tar sands, oil shale, trona, etc. to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth from KB or GL of encounter, vertical footage of the encounter and, the name of the person making the report along with a telephone number should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.

- Chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log CBL will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" Oil and Gas Operations Report OGOR starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 303 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - Operator name, address, and telephone number.
 - Well name and number.
 - Well location $\frac{1}{4}$ Sec., Twn, Rng, and P.M..
 - Date well was placed in a producing status date of first production for which royalty will be paid.
 - The nature of the well's production, i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons.
 - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - Unit agreement and/or participating area name and number, if applicable.
 - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees NTL 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events fires, accidents, blowouts, spills, discharges as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" BLM Form 3160-4 shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include

deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples cuttings, fluid, and/or gas shall be submitted only when requested by the BLM, Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" Form BLM 3160-5 must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER:
UTU-0575

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
NA

7. UNIT or CA AGREEMENT NAME:
Natural Buttes Unit

8. WELL NAME and NUMBER:
NBU 921-17J

9. API NUMBER:
4304739364

10. FIELD AND POOL, OR WILDCAT:
Natural Buttes Field

1. TYPE OF WELL

OIL WELL ☐

GAS WELL ☒

OTHER

2. NAME OF OPERATOR:

Kerr-McGee Oil & Gas Onshore, LP

3. ADDRESS OF OPERATOR:

PO Box 173779

CITY

Denver

STATE

CO

ZIP 80217-3779

PHONE NUMBER:

(720) 929-6171

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1508 FSL & 1748 FEL

COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSE 17 9S 21E

STATE:

UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>APD Extension</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Kerr McGee Oil and Gas Onshore, LP respectfully request a one year extension for NBU 921-17J, in order to complete drilling operations. The Utah Division of Oil, Gas, and Mining initially approved this APD on 6/19/2007.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 07-08-08

By: [Signature]

COPY SENT TO OPERATOR

Date: 7.9.2008

Initials: KS

NAME (PLEASE PRINT) Victoria Marques

TITLE Regulatory Intern

SIGNATURE Victoria Marques

DATE 6/23/2008

(This space for State use only)

RECEIVED
JUN 27 2008
DIV. OF OIL, GAS & MINING

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 4304739364
Well Name: NBU 921-17J
Location: NWSE 1508 FSL & 1748 FEL Sec. 17 T 9S R 21E
Company Permit Issued to: Kerr McGee Oil and Gas Onshore, LP
Date Original Permit Issued: 6/19/2007

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐

Victoria Marquez
Signature

6/23/2008
Date

Title: Regulatory Intern

Representing: Kerr McGee Oil and Gas Onshore, LP

RECEIVED
JUN 27 2008
DIV. OF OIL, GAS & MINING

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: KERR-McGEE OIL & GAS ONSHORE, L.P.

Well Name: NBU 921-17J

Api No: 43-047-39364 Lease Type: FEDERAL

Section 17 Township 09S Range 21E County UINTAH

Drilling Contractor PETE MARTIN DRLG RIG # BUCKET

SPUDDED:

Date 08/26/08

Time 10:00 AM

How DRY

Drilling will Commence: _____

Reported by LEW WELDON

Telephone # (435) 828-7035

Date 08/26/08 Signed CHD

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: KERR McGEE OIL & GAS ONSHORE LP Operator Account Number: N 2995
Address: 1368 SOUTH 1200 EAST
city VERNAL
state UT zip 84078 Phone Number: (435) 781-7024

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304739364	NBU 921-17J		NWSE	17	9S,	21E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<u>B</u>	99999	<u>2900</u>	8/26/2008		<u>9/22/08</u>		
Comments: <u>MIRU PETE MARTIN BUCKET RIG. WSMVD</u> <u>SPUD WELL LOCATION ON 08/26/2008 AT 1000 HRS.</u>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments: 							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments: 							

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

SHEILA UPCHEGO

Name (Please Print)

Signature

REGULATORY ANALYST

8/27/2008

Title

Date

RECEIVED

AUG 27 2008

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE – Other instructions on reverse side

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
KERR-McGEE OIL & GAS ONSHORE LP

3a. Address
1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)
(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
NW/SE SEC. 17, T9S, R21E 1508'FSL, 1748'FEL

5. Lease Serial No.
UTU-0575

6. If Indian, Allottee or Tribe Name
TRIBAL SURFACE

7. If Unit or CA/Agreement, Name and/or No.
UNIT #891008900A
NATURAL BUTTES UNIT

8. Well Name and No.
NBU 921-17J

9. API Well No.
4304739364

10. Field and Pool, or Exploratory Area
NATURAL BUTTES

11. County or Parish, State
UINTAH COUNTY, UTAH


12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other SET SURFACE
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	CSG
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

MIRU PROPETRO AIR RIG ON 08/31/2008. DRILLED 12 1/4" SURFACE HOLE TO 2670'. RAN 9 5/8" 36# J-55 SURFACE CSG. LEAD CMT W/250 SX HIFLL CLASS G @11.0 PPG 3.82 YIELD. TAILED CMT W/200 SX PREM CLASS G @15.8 PPG 1.15 YIELD. LOST RETURNS 1 BBL INTO DISPLACEMENT NO CMT TO SURFACE 500 PSI LIFT. RAN 200' OF 1" PIPE. CMT W/100 SX PREM CLASS G @15.8 PPG 1.15 YIELD DOWN 1" PIPE. NO CMT TO SURFACE. TOP OUT W/250 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN BACKSIDE GOOD CMT TO SURFACE HOLE STAYED FULL. WORT.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) SHEILA UPCHEGO	Title REGULATORY ANALYST
Signature 	Date September 8, 2008

THIS SPACE FOR FEDERAL OR STATE USE

Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

RECEIVED

(Instructions on reverse)

SEP 11 2008

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
SUNDRY NOTICES AND REPORTS ON WELLS
*Do not use this form for proposals to drill or reenter an
abandoned well. Use Form 3160-3 (APD) for such proposals.*

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUBMIT IN TRIPLICATE – Other instructions on reverse side

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU-0575
2. Name of Operator KERR-McGEE OIL & GAS ONSHORE LP		6. If Indian, Allottee or Tribe Name TRIBAL SURFACE
3a. Address 1368 SOUTH 1200 EAST VERNAL, UT 84078	3b. Phone No. (include area code) (435) 781-7024	7. If Unit or CA/Agreement, Name and/or No. UNIT #891008900A
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1508' FSL, 1748' FEL NWSE, SEC.17, T9S-R21E		8. Well Name and No. NBU 921-17J
		9. API Well No. 4304739364
		10. Field and Pool, or Exploratory Area NATURAL BUTTES
		11. County or Parish, State UINTAH COUNTY, UTAH

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other FINAL DRILLING OPERATIONS
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

FINISHED DRILLING FROM 10145' TO 10303' ON 10/10/08. RAN 4 1/2" 11.6# I-80 PRODUCTION CSG. LEAD CMT W/250 SX PREM LITE II @11.3 PPG 3.02 YIELD. TAILED CMT W/200 SX 50/50 POZ @ 14.3 PPG 1.31 YIELD. BUMP PLUG 3400 PSI OVER FLOATS HELD. 12 BBLS BACK TO PIT. LAND CSG TEST NIPPLE DOWN BOPE CLEAN TANKS.

RELEASED PIONEER RIG 54 ON 10/10/08 AT 0900 HRS

14. I hereby certify that the foregoing is true and correct		
Name (Printed/Typed) SHEILA UPCHIEGO	Title REGULATORY ANALYST	
Signature <i>Sheila Upchiego</i>	Date October 13, 2008	
THIS SPACE FOR FEDERAL OR STATE USE		
Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office
Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.		

(Instructions on reverse)

RECEIVED
OCT 14 2008
DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
SUNDRY NOTICES AND REPORTS ON WELLS
*Do not use this form for proposals to drill or reenter an
abandoned well. Use Form 3160-3 (APD) for such proposals.*

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

5. Lease Serial No.
UTU-0575

6. If Indian, Allottee or Tribe Name
TRIBAL SURFACE

7. If Unit or CA/Agreement, Name and/or No.
891008900A

8. Well Name and No.
NBU 921-17J

9. API Well No.
4304739364

10. Field and Pool, or Exploratory Area
NATURAL BUTTES

11. County or Parish, State
UINTAH COUNTY, UTAH

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
KERR-McGEE OIL & GAS ONSHORE LP

3a. Address
1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)
(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**1508' FSL, 1748' FEL
NWSE, SEC17, T9S-R21E**

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other PRODUCTION
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	START-UP
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleation in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

THE SUBJECT WELL LOCATION WAS PLACED ON PRODUCTION ON 11/1/2008 AT 1030 HRS.

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

SHEILA UPCHEGO

Title

SENIOR LAND ADMIN SPECIALIST

Date

November 4, 2008

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

RECEIVED

NOV 12 2008

DIV. OF OIL, GAS & MINING

Wins No.: 94962

NBU 921-17J

Well Operations Summary Long

Operator KERR MCGEE OIL & GAS ONSHORE LP	FIELD NAME NATURAL BUTTES	SPUD DATE 08/31/2008	GL 4,840	KB 4859	ROUTE V23
API 4304739364	STATE UTAH	COUNTY UINTAH	DIVISION ROCKIES		
Long/Lat.: 40.03297 / -109.57242	Q-Q/Sect/Town/Range: NWSE / 17 / 9S / 21E		Footages: 1,508.00' FSL 1,748.00' FEL		

Wellbore: NBU 921-17J

MTD		TVD		PBMD		PBTVD		
10,303		10,301		10,285		10,285		
EVENT INFORMATION:		EVENT ACTIVITY: DRILLING		START DATE: 8/26/2008		AFE NO.: 2008175		
		OBJECTIVE: DEVELOPMENT		END DATE: 10/10/2008				
		OBJECTIVE 2: ORIGINAL		DATE WELL STARTED PROD.: 8/31/2008				
		REASON:		Event End Status: SUSPENDED				
RIG OPERATIONS:		Begin Mobilization	Rig On Location	Rig Charges	Rig Operation Start	Finish Drilling	Rig Release	Rig Off Location
PETE MARTIN DRILLING / UI		08/26/2008	08/26/2008	08/26/2008	08/26/2008	08/26/2008	08/26/2008	08/26/2008

Date	Time Start-End	Duration (hr)	Phase	Code	Subco de	P/U	Operation
8/26/2008	SUPERVISOR: LEW WELDON						
	10:00 - 17:00	7.00	DRLCON	02		P	MOVE IN AND RIG UP BUCKET RIG SPUD WELL @ 1000 HR 8/26/08 DRILL AND SET 40' OF SCHEDULE 10 PIPE DRILL RODENT HOLES FOR RIG 41 BLM AND STATE NOTFIED OF SPUD
8/31/2008	SUPERVISOR: LEW WELDON						
	14:00 - 0:00	10.00	DRLSUR	02		P	MOVE IN AND RIG UP AIR RIG SPUD WELL @ 1400 HR 8/31/08 DA AT REPORT TIME 690'
9/1/2008	SUPERVISOR: LEW WELDON						
	0:00 - 12:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD HIT SOME WATER @ 1020' DA AT REPORT TIME 1020' DA
	12:00 - 0:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD CIRCULATING WITH SKID PUMP 1350' DA
9/2/2008	SUPERVISOR: LEW WELDON						
	0:00 - 12:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD CIRCULATING WITH SKID PUMP WELL CIRCULATING TO PIT 1560' DA
	12:00 - 0:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD CIRCULATING WITH SKID PUMP WELL CIRCULATING TO PIT 1770' DA
9/3/2008	SUPERVISOR: LEW WELDON						
	0:00 - 12:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD CIRCULATING WITH SKID PUMP 1990'
	12:00 - 0:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD CIRCULATING WITH SKID PUMP 2130'
9/4/2008	SUPERVISOR: LEW WELDON						

0:00 - 12:00	12.00	DRLSUR	02	P	RIG DRILLING AHEAD CIRCULATING WITH SKID PUMP WELL CIRCULATING TO PIT 2230'
12:00 - 22:00	10.00	DRLSUR	02	P	RIG DRILLING AHEAD CIRCULATING WITH SKID PUMP WELL CIRCULATING TO PIT 2460'

9/5/2008 SUPERVISOR: LEW WELDON

0:00 - 12:00	12.00	DRLSUR	02	P	RIG DRILLING AHEAD CIRCULATING WITH SKID PUMP 2600'
12:00 - 15:00	3.00	DRLSUR	02	P	RIG T/D @ 2670' CONDITION HOLE 1 HR
15:00 - 18:00	3.00	DRLSUR	05	P	TRIP DP OUT OF HOLE LOST BEARINGS OUT OF CONES ON BIT WAIT ON MAGNET
18:00 - 23:00	5.00	DRLSUR	12	E	Z WAIT ON MAGNET AND MORE DRILL PIPE
23:00 - 0:00	1.00	DRLSUR	05	F	Z RIH WITH MAGNET @ REPORT TIME

9/6/2008 SUPERVISOR: LEW WELDON

0:00 - 6:00	6.00	DRLSUR	05	F	Z RUN MAGNET TO T/D CIRCULATE AND TRIP OUT OF HOLE LAY DOWN MAGNET RETRIVE BASEBALL SIZE OF METAL SHAVINGS
6:00 - 10:00	4.00	DRLSUR	11	P	RUN 2621' OF 9 5/8 CSG AND 200' OF 1" PIPE RIG DOWN AIR RIG
10:00 - 11:00	1.00	DRLSUR	15	P	CEMENT 1ST STAGE WITH 250 SKS LEAD @ 11# 3.82 23 GAL/SK AND 200 SKS TAIL @ 15.8# 1.15 5.0 GAL/SK LOST RETURNS 1 BBL INTO DISPLACMENT NO CMT TO SURFACE 500 PSI LIFT
11:00 - 11:30	0.50	DRLSUR	15	P	1ST TOP JOB 100 SKS DOWN 1" PIPE NO CMT TO SURFACE WOC
11:30 - 13:30	2.00	DRLSUR	15	P	2ND TOP JOB 150 SKS DOWN BS WOC
13:30 - 17:00	3.50	DRLSUR	15	P	3RD TOP JOB 100 SKS DOWN BS GOOD CMT TO SURFACE AND STAYED AT SURFACE
17:00 - 17:00	0.00	DRLSUR			NO VISIBLE LEAKS PIT 1/4 FULL WORT

9/26/2008 SUPERVISOR: KENT MOORE

0:00 - 6:00	6.00	RDMO	01	E	P RDRT
6:00 - 18:00	12.00	RDMO	01	E	P RDRT - MOVE RIG TO NBU 921-17J (90% MOVED) (10% R/GGED UP)

18:00 - 0:00	6.00	RDMO	01	E	P	IDLE
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9/27/2008 SUPERVISOR: KENT MOORE

0:00 - 6:00	6.00	RDMO	01	E	P	IDLE
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6:00 - 15:00	9.00	RDMO	01	B	P	MOVE & SET IN RIG
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15:00 - 0:00	9.00	RDMO	01	B	P	RURT
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9/28/2008 SUPERVISOR: KENT MOORE

0:00 - 8:00	8.00	MIRU	01	B	P	RURT
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8:00 - 12:00	4.00	MIRU	13	A	P	N/UP BOP, CHOKE, SEPERATOR LINE & FLOW LINE
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12:00 - 16:30	4.50	DRLPRO	13	C	P	TEST BOP - RAMS, CHOKE, CHOKE LINE, KELLY, KELLY VALVES & FLOOR VALVES 250 LOW 5000 HIGH - ANNULAR 250 LOW 2500 HIGH - CASING 1500
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16:30 - 17:00	0.50	DRLPRO	13	B	P	INSTALL WEARBUSHING
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17:00 - 23:00	6.00	DRLPRO	05	A	P	HPJSM - R/UP & P/UP BHA/DP TO 2547'
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23:00 - 0:00	1.00	DRLPRO	05	A	P	INSTALL ROTATING RUBBER & KELLY DRIVER - CENTER BOP - REPAIR SURFACE EQUIP FLUID LEAKS
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9/29/2008 SUPERVISOR: KENT MOORE

0:00 - 1:00	1.00	DRLPRO	05	A	P	CHECKING SURFACE EQUIP FOR LEAKS - VIBRATOR HOSES, FLOWLINE & SEPERATOR LINES LEAKING
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1:00 - 3:00	2.00	DRLPRO	02	E	P	DRILL CMT, FE & RATHOLE TO 2689'
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3:00 - 5:00	2.00	DRLPRO	02	B	P	DRLG F/2689' TO 2810' (121' @ 60.5fph) MW 8.3
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5:00 - 6:00	1.00	DRLPRO	09	A	P	WLS - 1.19
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6:00 - 12:30	6.50	DRLPRO	02	B	P	DRLG F/2810' TO 3285' (475' @ 73fph) MW 8.5
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12:30 - 13:00	0.50	DRLPRO	09	A	P	WLS - 1.81
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13:00 - 13:30	0.50	DRLPRO	02	B	P	DRLG F/3285' TO 3294'
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Wins No.: 94962		NBU 921-17J						API No.: 4304739364
	13:30 - 14:00	0.50	DRLPRO	06	A	P	RIG SER	
	14:00 - 0:00	10.00	DRLPRO	02	B	P	DRLG F/3294' TO 3930' (636' @ 63.6fph) MW 8.7	
9/30/2008	SUPERVISOR: KENT MOORE							
	0:00 - 6:30	6.50	DRLPRO	02	B	P	DRLG F/3930' TO 4296' (366' @ 56.3fph) MW 8.7	
	6:30 - 7:30	1.00	DRLPRO	09	A	P	WLS - 1.14	
	7:30 - 15:30	8.00	DRLPRO	02	B	P	DRLG F/4296' TO 5055' (759' @ 94.9fph) MW 9.2	
	15:30 - 16:00	0.50	DRLPRO	06	A	P	RIG SER	
	16:00 - 16:30	0.50	DRLPRO	02	B	P	DRLG F/5055' TO 5087' (32' @ 64fph) MW 9.2	
	16:30 - 19:00	2.50	DRLPRO	16	B	X	ATTEMPT TO MAKE CONN @ 5087' - P/UP TO 5075' - UNABLE TO PASS 5075' - ABLE TO CIRC W/GOOD RETURNS - JAR DRILL STRING DOWN W/NO SUCCESS - JAR DRILL STRING UP @ 50K OVER STRING WT(STRING WT 125K) - DRILL STRING FREE AFTER MULTIPLE ATTEMPTS - BACK REAM & CLEAN UP HOLE - RAISING MW - INSPECT DERRICK AFTER JARING	
	19:00 - 0:00	5.00	DRLPRO	02	B	P	DRLG F/5087' TO 5350' (263' @ 52.6fph) MW 9.8	
10/1/2008	SUPERVISOR: KENT MOORE							
	0:00 - 5:30	5.50	DRLPRO	02	B	P	DRLG F/5350' TO 5625' (275' @ 50fph) MW 9.9	
	5:30 - 8:00	2.50	DRLPRO	05	E	P	W/TRIP 20 STDS TO 3745' (TIGHT @ 4911 20k O/P, 4844 19K O/P, 4796 50K O/P) NO PROBLEMS ON RIH - WASH 42' TO BTM - NO FILL	
	8:00 - 16:30	8.50	DRLPRO	02	B	P	DRLG F/5625' TO 6100' (475' @ 55.9fph) MW 9.9	
	16:30 - 17:00	0.50	DRLPRO	06	A	P	RIG SER	
	17:00 - 20:00	3.00	DRLPRO	02	B	P	DRLG F/6100' TO 6321' (221' @ 73.7fph) MW 10.0	
	20:00 - 20:30	0.50	DRLPRO	04	D	S	6321' LOST RETURNS - CIRC @ REDUCED RATE - WORK PIPE - MIX LCM - REGAINED RETURNS - RAISE LCM TO 2% (LOST 190 BBLs)	
	20:30 - 0:00	3.50	DRLPRO	02	B	P	DRLG F/6321' TO 6497' (176' @ 50.3fph) MW 10.0 LCM 2%	

10/2/2008	SUPERVISOR: KENT MOORE						
0:00 - 20:00	20.00	DRLPRO	02	B	P	DRLG F/6497' TO 7220' (723' @ 36.15fph) MW 10.0 3% LCM	
20:00 - 0:00	4.00	DRLPRO	05	A	P	TFNB - L/DN IBS	
10/3/2008	SUPERVISOR: KENT MOORE						
0:00 - 6:00	6.00	DRLPRO	05	A	P	TFNB - RIH, BRK CIRC @ 2600' - WASH 20' TO BTM - NO FILL (LOST 40 BBLs MUD ON TRIP)	
6:00 - 13:00	7.00	DRLPRO	02	B	P	DRLG F/7220' TO 7515' (295' @ 42.1fph) MW 10.1 3% LCM	
13:00 - 13:30	0.50	DRLPRO	06	A	P	RIG SER	
13:30 - 0:00	10.50	DRLPRO	02	B	P	DRLG F/7515' TO 7926' (411' @ 39.1fph) MW 10.3 3% LCM	
10/4/2008	SUPERVISOR: KENT MOORE						
0:00 - 15:00	15.00	DRLPRO	02	B	P	DRLG F/7926' TO 8527' (601' @ 40.0fph) MW 10.3	
15:00 - 15:30	0.50	DRLPRO	06	A	P	RIG SER	
15:30 - 0:00	8.50	DRLPRO	02	B	P	DRLG F/8527' TO 8850' (323' @ 38fph) MW 10.9 5% LCM	
10/5/2008	SUPERVISOR: KENT MOORE						
0:00 - 13:00	13.00	DRLPRO	02	B	P	DRLG F/8850' TO 9222' (372' @ 28.6fph) MW 11.0 5% LCM	
13:00 - 13:30	0.50	DRLPRO	06	A	P	RIG SER	
13:30 - 20:00	6.50	DRLPRO	02	B	P	DRLG F/9222' TO 9380' (158' @ 24.3fph) MW 11.3	
20:00 - 0:00	4.00	DRLPRO	05	A	P	TFNB - (TIGHT ON POOH @ 7496' 20k, 7068' 30k, 6386' 60K)	
10/6/2008	SUPERVISOR: KENT MOORE						
0:00 - 7:30	7.50	DRLPRO	05	A	P	TFNB - C/OUT MM - BRK CIRC @ 2600 & 6000 - WASH 36' TO BTM - NO FILL (TIGHT ON RIH @ 6386)	
7:30 - 14:30	7.00	DRLPRO	02	B	P	DRLG F/9380' TO 9702' (322' @ 46fph) MW 11.3 5% LCM	
14:30 - 15:00	0.50	DRLPRO	06	A	P	RIG SER	
15:00 - 22:30	7.50	DRLPRO	02	B	P	DRLG F/9702' TO 9808' (106' @ 14.1fph) MW 11.5 7% LCM	

Wins No.: 94962

NBU 921-17J

API No.: 4304739364

15:00 - 22:30	7.50	DRLPRO	02	B	P	DRLG F/9702' TO 9808' (106' @ 14.1fph) MW 11.5 7% LCM
22:30 - 0:00	1.50	DRLPRO	04	B	P	RAISE MW 11.7 10% LCM TO CONTROL GAS PRIOR TO TFNB

10/7/2008

SUPERVISOR: KENT MOORE

0:00 - 0:30	0.50	DRLPRO	04	B	P	RAISE MW TO 11.7 10% LCM - CONTROL GAS PRIOR TO TFNB
0:30 - 11:00	10.50	DRLPRO	05	A	P	TFNB - BRK CIRC @ 2600 & 6000' - WASH 21' TO BTM - NO FILL (LOST 60 BBLS MUD ON TRIP)
11:00 - 17:00	6.00	DRLPRO	02	B	P	DRLG F/9808' TO 9987' (179' @ 29.8fph) MW 11.8 12% LCM
17:00 - 17:30	0.50	DRLPRO	06	A	P	RIG SER
17:30 - 0:00	6.50	DRLPRO	02	B	P	DRLG F/9987' TO 10145' (158' @ 24.3fph) MW 12.0 18% LCM

10/8/2008

SUPERVISOR: KENT MOORE

0:00 - 9:00	9.00	DRLPRO	02	B	P	DRLG F/10145' TO 10303' (158' @ 17.5fph) MW 12.0 18% LCM
9:00 - 11:00	2.00	DRLPRO	04	A	P	CIRC HOLE CLEAN
11:00 - 15:30	4.50	DRLPRO	05	E	P	W/TRIP TO 5000'
15:30 - 17:30	2.00	DRLPRO	04	A	P	CIRC
17:30 - 0:00	6.50	DRLPRO	05	A	P	LDDP

10/9/2008

SUPERVISOR: KENT MOORE

0:00 - 3:00	3.00	DRLPRO	05	A	P	LDDP/BHA
3:00 - 3:30	0.50	DRLPRO	13	B	P	RETRIEVE WEARBUSHING
3:30 - 11:00	7.50	DRLPRO	08	A	P	HPJSM - R/UP BAKER ATLAS - RUN TRIPLE COMBO TO LOGGERS TD @ 10313'
11:00 - 22:30	11.50	CSG	11	B	P	HPJSM - R/UP & RUN 243 JTS 4 1/2 PROD CASING TO 10,294'
22:30 - 23:00	0.50	CSG	11	B	P	L/DN TAG JT & M/UP MANDRIL HANGER
23:00 - 0:00	1.00	CSG	04	A	P	CIRC CSG

10/10/2008	<u>SUPERVISOR:</u> KENT MOORE								
	0:00 - 0:30	0.50	CSG	04	A	P	CIRC HOLE CLEAN		
	0:30 - 3:30	3.00	CSG	15	A	P	HPJSM - R/UP BJ - TEST LINES 5000 PSI - CEMENT PROD CASING - 20 BBLS MUD CLEAN, 20 SKS SCAVENGER 10.0 ppg 5.64 YIELD, 505 SKS 11.5 ppg 2.82 YIELD, 1300 SKS 14.3 ppg 1.31 YIELD, DROPPED PLUG & DISPLACED W/159.5 BBLS FRESH WATER @ 2855 PSI - BUMPED PLUG @ 3400 PSI - FLOATS HELD W/2 BBLS RETURN - GOOD RETURNS DURING CMT JOB & DISPLACEMENT- 70 BBLS CEMENT BACK TO SURFACE		
	3:30 - 4:00	0.50	CSG	11	B	P	LAND MANDRIL HANGER & TEST 5000 PSI - UNLOCK BOP		
	4:00 - 9:00	5.00	CSG	13	A	P	N/DN BOP - CLEAN RIG TANKS - RELEASE RIG 10/10/08 @ 09:00 HRS - RESERVE PIT 1/2 FULL, PIT LINER OK - NO VISABLE LEAKS		

Wins No.: 94962		NBU 921-17J				API No.: 4304739364		
EVENT INFORMATION:		EVENT ACTIVITY: COMPLETION		START DATE: 10/22/2008		AFE NO.: 2008175		
		OBJECTIVE: DEVELOPMENT		END DATE: 10/29/2008				
		OBJECTIVE 2: ORIGINAL		DATE WELL STARTED PROD.: 8/31/2008				
		REASON: MV		Event End Status: COMPLETE				
RIG OPERATIONS:		Begin Mobilization	Rig On Location	Rig Charges	Rig Operation Start	Finish Drilling	Rig Release	Rig Off Location
KEY 243 / 243		10/22/2008				10/29/2008		
Date	Time Start-End	Duration (hr)	Phase	Code	Subcode	P/U	Operation	
10/22/2008	SUPERVISOR: KEN WARREN							
	7:00 - 7:15	0.25	COMP	48		P	HSM, REVIEW R/D & R/U	
	7:15 - 17:00	9.75	COMP	47	A	P	R/D & ROAD RIG FROM NBU 921-17N TO NBU 921-17J, MIRU, SPOT EQUIP, N/D WELL HEAD, N/U BOPS, R/U TBG EQUIP, P/U 3-7/8 MILL W/ X-OVER, TALLEY & P/U 322 JNTS 2-3/8 L-80 TBG EOT @ 10,228' L/D 2/ JNTS SWIFN.	
10/23/2008	SUPERVISOR: KEN WARREN							
	7:00 - 7:15	0.25	COMP	48		P	HSM, P/U PWR SWVL	
	7:15 - 15:00	7.75	COMP	44	A	P	OPEN WELL, P/U 2 JNT TBG, P/U PWR SWVL, EST CIRC W/ RIG PUMP, DRL OUT FLOAT COLLAR @ 10,251', DRL CEMENT & C/O TO 10,285', CIRC HOLE CLEAN POOH W/ 2-3/8 TBG & MILL, N/D BOPS, N/U FRAC VALVES, MIRU B&C QUICK TEST, TRUCK BROKE DN COULD NOT PRESSURE TEST SWIFN	
10/24/2008	SUPERVISOR: KEN WARREN							
	7:00 - 7:15	0.25	COMP	47	B	P	HSM, P/T CSG	
	7:15 - 15:00	7.75	COMP	47	B	P	MIRU B&C TESTERS, P/T CSG & FRAC VALVES TO 7500# [GOOD TEST] R/D TESTER, MIRU CUTTERS WIRELINE, P/U RIH W/ 3-3/8 EXPEND, 23 GRM, 0.36" HOLE, 4 SPF, 90° PH, 44 HOLES. 10262'-10268' 24 HOLES, 10227'-10228' 4 HOLES, 10172'-10176' 16 HOLES, POOH R/D CUTTERS WIRE LINE, READY TO FRAC MON MORN. SWI.	
10/27/2008	SUPERVISOR: KEN WARREN							
	7:00 - 9:30	2.50	COMP	46		Z	HSM, FRACING, WAITING ON CHANGE OVER TO HOOK UP INLINE DENSOMETER.	
	9:30 - 9:30	0.00	COMP	36	E	P	FRAC STG #1 IN MESAVERDE 10172'-10268' 44 HOLES.	
	STG#1] WHP=1099#, BRK DN PERFS @ 3378#, INJT PSI=4403#, INJT RT=49.3, ISIP=2878#, FG=.72, PUMP'D 3075.6 BBLS SLK WTR W/ 106626# 30/50 MESH W/ 5000# RESIN COAT IN TAIL, ISIP=3147#, FG=.75, AR=40.3, AP=4231#, MR=40.6, MP=6012#, NPI=269#, 38/44 CALC PERFS OPEN 86%.							
	STG #2] P/U RIH W/ BKR 8K 4-1/2 CBP & PERF GUN. SET CBP @ 10095', PERF MESAVERDE USING 3-3/8 EXPEND, 23 GRM, 0.36" HOLE, 4 SPF, 90° PH, 40 HOLES, 10056'-10062' 24 HOLES, 10028'-10032' 16 HOLES.							
	WHP=1000#, BRK DN PERFS @ 5210#, INJT PSI=5672#, INJT RT=51.5, ISIP=3164#, FG=.76, PUMP'D 2335 BBLS SLK WTR W/ 83999# 30/50 MESH W/ 5000# RESIN COAT IN TAIL. ISIP=3337#, FG=.77, AR=48.5, AP=5083#, MR=51.2, MP=5848#, NPI=173#, 38/40 CALC PERFS OPOEN 95%.							
	STG #3] P/U RIH W/ BKR 8K CBP & PERF GUN. SET CBP @ 9814', PERF MESAVERDE USING 3-3/8 EXPEND, 23 GRM, 0.36" HOLE, 9780'-9784' 3 SPF, 120° PH, 12 HOLES, 9700'-9702' 4 SPF, 90° PH, 8 HOLES, 9656'-9660' 3 SPF, 120° PH, 12 HOLES, 9606'-9608' 4 SPF, 90° PH, 8 HOLES. [40 HOLES]							
	WHP=530#, BRK DN PERFS @ 4781#, INJT PSI=6120#, INJT RT=47.2, ISIP=3163#, FG=.77, PUMP'D 2387.9 BBLS SLK WTR W/ 85900# 30/50 MESH W/ 5000# RESIN COAT IN TAIL, ISIP=3184#, FG=.77, AR=45.6, AP=5074#, MR=56.6, MP=6497#, NPI=21#, 24/40 CALC PERFS OPEN 60%.							
	STG #4] P/U RIH W/ BKR 8K CBP & PERF GUN. SET CBP @ 9432', PERF MESAVERDE USING 3-3/8 EXPEND, 23GRM, 0.36" HOLE, 4 SPF, 90° PH, 40 HOLES. 9400'-9402' 8 HOLES, 9334'-9336' 8 HOLES, 9272'-9274' 8 HOLES, 9208'-9212' 16 HOLES, SWIFN.							
10/28/2008	SUPERVISOR: KEN WARREN							

7:00 - 7:15 0.25 COMP 48 P HSM, REVIEW FRACING

7:15 - 17:00 9.75 COMP 36 E P STG #4] WHP=2300#, BRK DN PERFS @ 4047#, INJT PSI=5600#, INJT RT=51.3, ISIP=2570#, FG=.72, PUMP'D 4397.8 BBLS SLK WTR W/ 159421# 30/50 MESH W/ 5000# RESIN COAT IN TAIL, ISIP=3125#, FG=.78, AR=48.5, AP=5074#, MR=51.7, MP=6612#, NPI=555, 24/40 CALC PERFS OPEN 61%

STG #5] P/U RIH W/ BKR 8K CBP & PERF GUN, SET CBP @ 9150', PERF MESAVERDE USING 3-3/8 EXPEND, 23 GRM, 0.36" HOLE, 4 SPF, 90° PH, 48 HOLES. 9114'-9120' 24 HOLES, 9096'-9098' 8 HOLES, 9060'-9064' 16 HOLES.

WHP=0#, brk dn perfs @ 6099#, INJT PSI=5375#, INJT RT=49, ISIP=3500#, FG=.83, PUMP'D 882.5 BBLS SLK WTR W/ 24573# 30/50 MESH W/ 5000# RESIN COAT IN TAIL, ISIP=3255#, FG=.80, AR=51.3, AP=5313#, MR=51.8, MP=6893#, NPI=-245#, 37/48 CALC PERFS OPEN 78%

P/U RIH W/ BKR 8K CBP. SET CBP @ 9998', POOH R/D CUTTERS WIRE LINE & WEATHERFORD FRAC, N/D FRAC VALVES, N/U BOPS, R/U TBG EQUIP, P/U 3-7/8 BIT W/ POBS PKG, RIH, TAG PLUG @ 9998' P/U PWR SWVL, PULL HIGH KELLEY SWFN.

10/29/2008 SUPERVISOR: KEN WARREN

7:00 - 7:15 0.25 COMP 48 P HSM, DRL PLUGS

7:15 - 17:00 9.75 COMP 44 C P OPEN WELL, EST CIRC W/ RIG PUMP.

PLUG #1] DRL THROUGH BKR 8K CBP @ 8998' IN 10 MIN. 200# INCREASE.

PLUG #2] CONTINUE TO RIH, TAG SAND @ 9120' [30' FILL] C/O & DRL THROU BKR 8K CBP @ 5150 IN 10 MIN. 1000# INCREASE.

PLUG #3] CONTINUE TO RIH TAG SAND @ 9402' [30' FILL] C/O & DRL THROUGH BKR 8K CBP @ 9432' IN 10 MIN. NO INCREASE.

PLUG #4] CONTINUE TO RIH TAG SAND @ 9784' [30' FILL] C/O & DRL THROUGH BKR 8K CBP @ 9814' IN 10 MIN. 0# INCREASE.

PLUG #5] CONTINUE TO RIH TAG SAND @ 10065' [30' FILL] C/O & DRL THROUGH BKR 8K CBP @ 10095' IN 10 MIN, 100# INCREASE.

CONTINUE TO RIH C/O TO PBTD @ 10285' CIRC WELL, L/D 16 JNTS ON FLOAT, P/U HANGER LUBRICATE IN WELL & LAND W/ 214 JNTS 2-3/8 L-80 TBG [EOT @ 9986', R/D PWR SWVL, DROP BALL, R/D TBG EQUIP, N/D BOPS, N/U WELL HEAD, PUMP OFF BIT

10/30/2008 SUPERVISOR: JUNIOR PEREZ

7:00 - 33 A 7 AM FLBK REPORT: CP 2000#, TP 2000#, 16/64" CK, 80 BWPH, MEDIUM SAND, - GAS
TTL BBLS RECOVERED: 3030
BBLS LEFT TO RECOVER: 10049

10/31/2008 SUPERVISOR: RYAN THOMPSON

7:00 - 33 A 7 AM FLBK REPORT: CP 2500#, TP 2200#, 18/64" CK, 45 BWPH, TRACE SAND, - GAS
TTL BBLS RECOVERED: 4420
BBLS LEFT TO RECOVER: 8659

11/1/2008 SUPERVISOR: RYAN THOMPSON

11:00 - PROD WELL TURNED TO SALES @ 1100 HR ON 11/01/2008 - FTP 2200#, CP 2700#, CK 18/64", 800 MCFD, 840 BWPD

11/1/2008 SUPERVISOR: RYAN THOMPSON

7:00 - 33 A 7 AM FLBK REPORT: CP 3600#, TP 2300#, 18/64" CK, 45 BWPH, TRACE SAND, - GAS
TTL BBLS RECOVERED: 5500
BBLS LEFT TO RECOVER: 7579

11/2/2008 SUPERVISOR: RYAN THOMPSON

Wins No.: 94962	NBU 921-17J	API No.: 4304739364
7:00 -	33 A	7 AM FLBK REPORT: CP 3500#, TP 2400#, 18/64" CK, 30 BWPH, CLEAN SAND, - GAS TTL BBLS RECOVERED: 6245 BBLS LEFT TO RECOVER: 6834

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0137
Expires: July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well ☐ Oil Well ☒ Gas Well ☐ Dry ☐ Other
b. Type of Completion: ☒ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resvr.,
Other: _____

2. Name of Operator
KERR MCGEE OIL & GAS ONSHORE LP

3. Address
1368 SOUTH 1200 EAST VERNAL, UTAH 84078

3a. Phone No. (include area code)
435.781.7024

4. Location of Well (Report location clearly and in accordance with Federal requirements)*

At surface NW/SE 1508'FSL, 1748'FEL

At top prod. interval reported below

At total depth

14. Date Spudded
08/26/2008

15. Date T.D. Reached
10/10/2008

16. Date Completed 11/01/2008
☐ D & A ☒ Ready to Prod.

17. Elevations (DF, RKB, RT, GL)*
4840'GL

18. Total Depth: MD 10,303'
TVD

19. Plug Back T.D.: MD 10,285'
TVD

20. Depth Bridge Plug Set: MD
TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)

CBL-CCL-GR, Comp 2, CN, Cal

22. Was well cored? ☒ No ☐ Yes (Submit analysis)
Was DST run? ☒ No ☐ Yes (Submit report)
Directional Survey? ☒ No ☐ Yes (Submit copy)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
20"	14" STEEL	36.7#		40'		28 SX			
12 1/4"	9 5/8" J-55	36#		2670'		800 SX			
7 7/8"	4 1/2 I-80	11.6#		10,303'		1805 SX			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2 3/8"	9986'							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) MESAVERDE	9060'	10,268'	9060'-10,268'	0.36	212	OPEN
B) WSMVD						
C)						
D)						

27. Acid, Fracture, Treatment, Cement Squeeze, etc.

Depth Interval	Amount and Type of Material
9060'-10,268'	PMP 13,079 BBLS SLICK H2O & 460,519# 30/50 OTTOWA SD

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
11/1/08	11/1/08	24	→	10	883	390			FLows FROM WELL
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
20/64	823#	1370#	→	10	883	390		PRODUCING GAS WELL	

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

RECEIVED
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*(See instructions and spaces for additional data on page 2)

DIV. OF OIL, GAS & MINING

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

29. Disposition of Gas (Solid, used for fuel, vented, etc.)

SOLD

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
GREEN RIVER	1712'				
MAHOGANY	2528'				
WASATCH	5143'	8046'			
MESAVERDE	8065'	10,286'			

32. Additional remarks (include plugging procedure):

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33. Indicate which items have been attached by placing a check in the appropriate boxes:

- ☐ Electrical/Mechanical Logs (1 full set req'd.)
 ☐ Geologic Report
 ☐ DST Report
 ☐ Directional Survey
☐ Sundry Notice for plugging and cement verification
☐ Core Analysis
☐ Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) SHEILA UPCHEGO

Title REGULATORY ANALYST

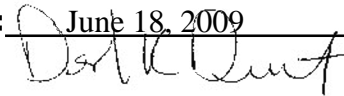
Signature

Date 12/10/2008

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Continued on page 3)

(Form 3160-4, page 2)

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9			
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-0575			
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: UTE			
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.		7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES			
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779		8. WELL NAME and NUMBER: NBU 921-17J			
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1508 FSL 1748 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSE Section: 17 Township: 09.0S Range: 21.0E Meridian: S		9. API NUMBER: 43047393640000			
PHONE NUMBER: 720 929-6007 Ext		9. FIELD and POOL or WILDCAT: NATURAL BUTTES			
COUNTY: UINTAH		STATE: UTAH			
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA					
TYPE OF SUBMISSION	TYPE OF ACTION				
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 6/23/2009 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<table style="width: 100%; border: none;"> <tr> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION </td> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER </td> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input checked="" type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: _____ </td> </tr> </table>		<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input checked="" type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: _____
<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input checked="" type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: _____			
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. THE OPERATOR REQUESTS AUTHORIZATION TO RECOMPLETE THE SUBJECT WELL LOCATION. THE OPERATOR PROPOSES COMPLETE THE WASATCH AND THE MESAVERDE FORMATIONS. THE OPERATOR REQUESTS AUTHORIZATION TO COMMINGLE THE NEWLY WASATCH AND MESAVERDE FORMATIONS, ALONG WITH THE EXISTING MESAVERDE FORMATION. PLEASE REFER TO THE ATTACHED RECOMPLETION PROCEDURE.					
Accepted by the Utah Division of Oil, Gas and Mining Date: June 18, 2009 By: 					
NAME (PLEASE PRINT) Sheila Upchego	PHONE NUMBER 435 781-7024	TITLE Regulatory Analyst			
SIGNATURE N/A	DATE 6/17/2009				

RECEIVED June 17, 2009



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Sundry Conditions of Approval Well Number 43047393640000

In accordance with Board Cause No. 173-14, commingling of the production from the Wasatch and the Mesaverde formations is allowed in this well.

**Accepted by the
Utah Division of
Oil, Gas and Mining**

Date: June 18, 2009
By: Dan K. Quist

Name: NBU 921-17J
Location: NWSE Sec. 17 T9S R21E
Uintah County, UT
Date: 6/5/09

ELEVATIONS: 4840 GL 4859 KB

TOTAL DEPTH: 10303 **PBTD:** 10250
SURFACE CASING: 9 5/8", 36# J-55 ST&C @ 2666'
PRODUCTION CASING: 4 1/2", 11.6#, I-80 LT&C @ 10295'
Marker Joint **5211 - 5232'**

TUBULAR PROPERTIES:

	BURST (psi)	COLLAPSE (psi)	DRIFT DIA. (in.)	CAPACITIES	
				(bbl/ft)	(gal/ft)
2 3/8" 4.7# J-55 tbg	7,700	8,100	1.901"	0.00387	0.1624
4 1/2" 11.6# I-80 (See above)	7780	6350	3.875"	0.0155	0.6528
2 3/8" by 4 1/2" Annulus				0.0101	0.4227

TOPS:

1695' Green River
2005' Birds Nest
2388' Mahogany
5117' Wasatch
8139' Mesaverde

CBL indicates good cement below 1650'

GENERAL:

- A minimum of **18** tanks (cleaned lined 500 bbl) of recycled water will be required. Note: Use biocide in tanks and the water needs to be at least 45°F at pump time.
- All perforation depths are from Bakers Induction-Density-Neutron log dated 10/8/2008
- **7** fracturing stages required for coverage.
- Procedure calls for **8** CBP's (**8000** psi).
- Calculate open perforations after each breakdown. If less than 60% of the perforations appear to be open, ball out with 15% HCl.
- Put scale inhibitor 3 gals/1000 gals (in pad and 1/2 the ramp) and 10 gals/1000 gals in all flushes except the final stage. Remember to pre-load the casing with scale inhibitor for the very first stage with 10 gpt.
- 30/50 mesh Ottawa sand, **Slickwater frac.**
- Maximum surface pressure **6200** psi.
- Flush volumes are the sum of slick water and acid used during displacement (include scale inhibitor as mentioned above).
- **Call flush at 0 PPG @ inline densimeters. Slow to 5 bbl/min over last 10-20 bbls of flush. Flush to top perf.**

- If distance between plug and top perf of previous stage is less than 50', it is considered to be tight spacing - over flush stage by 5 bbls (from top perf)
- Service companies need to provide surface/production annulus pop-offs to be set for 1500 psi for each frac.
- Pump 20/40mesh resin coated sand last 5,000# of all frac stages
- Tubing Currently Landed @~9985
- Originally completed on 10/27/08

Existing Perforations:

<u>PERFORATIONS</u>						
<u>Formation</u>	<u>Zone</u>	<u>Top</u>	<u>Btm</u>	<u>spf</u>	<u>Shots</u>	<u>Date</u>
MESA VERDE		9060	9064	4	16	10/27/2008
MESA VERDE		9096	9098	4	8	10/27/2008
MESA VERDE		9114	9120	4	24	10/27/2008
MESA VERDE		9208	9212	4	16	10/27/2008
MESA VERDE		9272	9274	4	8	10/27/2008
MESA VERDE		9334	9336	4	8	10/27/2008
MESA VERDE		9400	9402	4	8	10/27/2008
MESA VERDE		9606	9608	4	8	10/27/2008
MESA VERDE		9656	9660	3	12	10/27/2008
MESA VERDE		9700	9702	4	8	10/27/2008
MESA VERDE		9780	9784	3	12	10/27/2008
MESA VERDE		10028	10032	4	16	10/27/2008
MESA VERDE		10056	10062	4	24	10/27/2008
MESA VERDE		10172	10176	4	16	10/27/2008
MESA VERDE		10227	10228	4	4	10/27/2008
MESA VERDE		10262	10268	4	24	10/27/2008

PROCEDURE:

1. MIRU. Control well with recycled water and biocide as required. ND WH, NU BOP's and test.
2. TOOH with 2-3/8", 4.7#, J-55 (or N-80) tubing (currently landed at ~9985'). Visually inspect for scale and consider replacing if needed.
3. If tbg looks ok consider running a gauge ring to 9000' (50' below proposed CBP). Otherwise P/U a mill and C/O to 9000' (50' below proposed CBP).
4. Set 8000 psi CBP at ~ 8950'. Pressure test BOP and casing to 6000 psi. .
5. Perf the following with 3-3/8" gun, 23 gm, 0.36"hole:

Zone	From	To	spf	# of shots
MESAVERDE	8760	8764	3	12
MESAVERDE	8840	8842	3	6
MESAVERDE	8896	8898	3	6
MESAVERDE	8916	8920	4	16

6. Breakdown perfs and establish injection rate (include scale inhibitor in fluid). Spot 250 gal of 15% HCl and let soak. Fracture as outlined in Stage 1 on attached listing. Under-displace to ~8760' and trickle 250gal 15%HCL w/ scale inhibitor in flush .
7. Set 8000 psi CBP at ~8650'. Perf the following 3-3/8" gun, 23 gm, 0.36"hole:

Zone	From	To	spf	# of shots
MESAVERDE	8370	8373	3	9
MESAVERDE	8414	8418	3	12
MESAVERDE	8530	8532	3	6
MESAVERDE	8616	8620	3	12
8. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 2 on attached listing. Under-displace to ~8370' and trickle 250gal 15%HCL w/ scale inhibitor in flush.
9. Set 8000 psi CBP at ~8280'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:

Zone	From	To	spf	# of shots
WASATCH	8080	8084	3	12
WASATCH	8206	8210	3	12
MESAVERDE	8246	8250	4	16
10. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 3 on attached listing. Under-displace to ~8080' trickle 250gal 15%HCL w/ scale inhibitor in flush.
11. Set 8000 psi CBP at ~7524'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:

Zone	From	To	spf	# of shots
WASATCH	7484	7494	4	40
12. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 4 on attached listing. Under-displace to ~7484' and trickle 250gal 15%HCL w/ scale inhibitor in flush.
Note: Monitor ISIP on this stage. Report unusually low pressures to Denver Engineering prior to fracing.
13. Set 8000 psi CBP at ~7218'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:

Zone	From	To	spf	# of shots
WASATCH	7178	7188	4	40
14. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 5 on attached listing. Under-displace to ~7178' and trickle 250gal 15%HCL w/ scale inhibitor in flush.
Note: Monitor ISIP on this stage. Report unusually low pressures to Denver Engineering prior to fracing.
15. Set 8000 psi CBP at ~6418'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:

Zone	From	To	spf	# of shots
WASATCH	6142	6146	3	12
WASATCH	6296	6300	3	12
WASATCH	6382	6388	3	18
16. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 6 on attached listing. Under-displace to ~6142' and trickle 250gal 15%HCL w/ scale inhibitor in flush.

17. Set 8000 psi CBP at ~5542'. Perf the following 3-3/8" gun, 23 gm, 0.36" hole:

Zone	From	To	spf	# of shots
WASATCH	5502	5512	4	40

18. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 7 on attached listing. Under-displace to ~5502' and flush only with recycled water.

19. Set 8000 psi CBP at ~5472'.

20. TIH with 3 7/8" mill, pump off sub, SN and tubing.

21. Mill ALL plugs and clean out to PBTD at 10250. Land tubing at $\pm 9998'$ pump off bit and bit sub. This well WILL be commingled at this time.

22. Clean out well with foam and/or swabbing unit until steady flow has been established from recomplete.

23. RDMO

For design questions, please call
Conner Staley, Denver, CO
(720)-929-6419 (Office)

For field implementation questions, please call
Robert Miller, Vernal, UT
4350781 7041 (Office)

NOTES:
Monitor ISIP on stages 4 and 5

Slickwater Frac

Recomplete?	Y
Pad?	N

Swabbing Days	0	Enter Number of swabbing days here for recompletes
Production Log	0	Enter 1 if running a Production Log
DFIT	0	Enter Number of DFITs

RECEIVED June 17, 2009

Name NBU 921-17J
Perforation and CBP Summary

Stage	Zones	Perforations		SPF	Holes	Fracture Coverage		
		Top, ft	Bottom, ft					
1	MESAVERDE	8760	8764	3	12	8755	to	8779.5
	MESAVERDE	8840	8842	3	6	8820	to	8845
	MESAVERDE	8896	8898	3	6	8886.5	to	8900
	MESAVERDE	8916	8920	4	16	8903.5	to	8929
					Look			
	# of Perfs/stage				40	CBP DEPTH	8,650	
2	MESAVERDE	8370	8373	3	9	8360	to	8376.5
	MESAVERDE	8414	8418	3	12	8409.5	to	8444.5
	MESAVERDE	8530	8532	3	6	8514.5	to	8547
	MESAVERDE	8616	8620	3	12	8566.5	to	8578.5
	MESAVERDE					8610.5	to	8647
	MESAVERDE					8651	to	8657.5
	# of Perfs/stage				39	CBP DEPTH	8,280	
3	MESAVERDE							
	WASATCH	8080	8084	3	12	8069.5	to	8087
	WASATCH	8206	8210	3	12	8183.5	to	8201.5
	MESAVERDE	8246	8250	4	16	8203	to	8221.5
	MESAVERDE					8241.5	to	8253
	# of Perfs/stage				40	CBP DEPTH	7,524	
4	WASATCH	7484	7494	4	40	7476.5	to	7505
	# of Perfs/stage				40	CBP DEPTH	7,218	
5	WASATCH	7178	7188	4	40	7161.5	to	7191
					Look			
	# of Perfs/stage				40	CBP DEPTH	6,418	
6	WASATCH	6142	6146	3	12	6130.5	to	6155
	WASATCH	6296	6300	3	12	6236	to	6253.5
	WASATCH	6382	6388	3	18	6287.5	to	6330.5
	WASATCH					6340.5	to	6357
	WASATCH					6370.5	to	6397.5
	# of Perfs/stage				42	CBP DEPTH	5,542	
7	WASATCH	5502	5512	4	40	5495.5	to	5515.5
	# of Perfs/stage				40	CBP DEPTH	5,452	
	Totals				281			

Fracturing Schedule
Name NSU 021-172
Slackwater Frac

Recap? Y
N

Swallowing Days
Production Log
DFT
Enter 1 if running a Production Log
Enter Number of DFTs

Enter Number of swabbing days here for recompletes

Step	Zone	Top, In.	Bot, In.	Depth, In.	SPF	Holes	DPM	Rate	Fluid Type	Initial PPg	Final PPg	Fluid	Volume gals	Cum Vol gals	Volume BBLs	Cum Vol BBLs	Fluid % of frac	Sand lbs	Cum. Sand lbs	Footage from CSP to Flush	Scale Inhib., gal.
1																					
	MESAVIERE	8700	8764	3	12	Varied	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	5,585	5,585	0	133	15.0%	0	0	55	
	MESAVIERE	8840	8842	3	6	50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	16,137	0	251	19.4%	7,914	7,914	0	10
	MESAVIERE	8900	8902	4	18	50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	26,689	0	635	28.3%	14,508	22,422	0	16
	MESAVIERE	8918	8920	4	18	50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	37,240	0	887	28.3%	18,465	40,886	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	47,791	0	1,023	28.3%	29,958	70,844	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	58,342	0	1,161	28.3%	36,378	107,222	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	68,893	0	1,300	28.3%	42,896	149,118	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	79,444	0	1,439	28.3%	49,812	198,930	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	90,000	0	1,578	28.3%	57,730	256,660	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	100,551	0	1,717	28.3%	66,646	323,306	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	111,102	0	1,856	28.3%	75,560	400,866	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	121,653	0	1,995	28.3%	84,474	485,340	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	132,204	0	2,134	28.3%	93,388	578,728	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	142,755	0	2,273	28.3%	102,302	681,030	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	153,306	0	2,412	28.3%	111,216	792,246	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	163,857	0	2,551	28.3%	120,130	912,376	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	174,408	0	2,690	28.3%	129,044	1,041,420	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	184,959	0	2,829	28.3%	137,958	1,189,378	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	195,510	0	2,968	28.3%	146,872	1,337,250	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	206,061	0	3,107	28.3%	155,786	1,493,036	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	216,612	0	3,246	28.3%	164,700	1,657,736	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	227,163	0	3,385	28.3%	173,614	1,831,350	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	237,714	0	3,524	28.3%	182,528	2,013,878	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	248,265	0	3,663	28.3%	191,442	2,205,320	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	258,816	0	3,802	28.3%	200,356	2,405,676	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	269,367	0	3,941	28.3%	209,270	2,614,946	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	280,000	0	4,080	28.3%	218,184	2,833,130	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	290,551	0	4,219	28.3%	227,098	3,059,228	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	301,102	0	4,358	28.3%	236,012	3,295,240	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	311,653	0	4,497	28.3%	244,926	3,540,166	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	322,204	0	4,636	28.3%	253,840	3,793,906	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	332,755	0	4,775	28.3%	262,754	4,056,660	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	343,306	0	4,914	28.3%	271,668	4,328,328	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	353,857	0	5,053	28.3%	280,582	4,608,910	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	364,408	0	5,192	28.3%	289,496	4,898,406	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	374,959	0	5,331	28.3%	298,410	5,196,816	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	385,510	0	5,470	28.3%	307,324	5,504,140	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	396,061	0	5,609	28.3%	316,238	5,820,378	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	406,612	0	5,748	28.3%	325,152	6,145,530	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	417,163	0	5,887	28.3%	334,066	6,479,596	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	427,714	0	6,026	28.3%	342,980	6,822,576	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	438,265	0	6,165	28.3%	351,894	7,174,470	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	448,816	0	6,304	28.3%	360,808	7,535,278	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	459,367	0	6,443	28.3%	369,722	7,904,900	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	470,000	0	6,582	28.3%	378,636	8,283,536	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	480,551	0	6,721	28.3%	387,550	8,671,086	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	491,102	0	6,860	28.3%	396,464	9,067,550	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	501,653	0	7,000	28.3%	405,378	9,472,928	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	512,204	0	7,139	28.3%	414,292	9,887,220	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	522,755	0	7,278	28.3%	423,206	10,310,426	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	533,306	0	7,417	28.3%	432,120	10,742,546	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	543,857	0	7,556	28.3%	441,034	11,183,580	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	554,408	0	7,695	28.3%	449,948	11,633,528	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	564,959	0	7,834	28.3%	458,862	12,092,390	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	575,510	0	7,973	28.3%	467,776	12,559,166	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	586,061	0	8,112	28.3%	476,690	13,034,856	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	596,612	0	8,251	28.3%	485,604	13,519,460	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	607,163	0	8,390	28.3%	494,518	14,013,978	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	617,714	0	8,529	28.3%	503,432	14,517,410	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	628,265	0	8,668	28.3%	512,346	15,029,756	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0	0.25	1.25	Schwabert	10,551	638,816	0	8,807	28.3%	521,260	15,551,016	0	0
	MESAVIERE					50	50	ISIP and 5 min ISIP	0												

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-0575
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: UTE
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.		7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779		8. WELL NAME and NUMBER: NBU 921-17J
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1508 FSL 1748 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSE Section: 17 Township: 09.0S Range: 21.0E Meridian: S		9. API NUMBER: 43047393640000
PHONE NUMBER: 720 929-6007 Ext		9. FIELD and POOL or WILDCAT: NATURAL BUTTES
COUNTY: Uintah		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 7/30/2009	<input type="checkbox"/> ALTER CASING	
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> CHANGE TUBING	
	<input type="checkbox"/> CHANGE WELL STATUS	
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	
	<input type="checkbox"/> DEEPEN	
	<input type="checkbox"/> FRACTURE TREAT	
	<input type="checkbox"/> OPERATOR CHANGE	
	<input type="checkbox"/> PLUG AND ABANDON	
	<input type="checkbox"/> PRODUCTION START OR RESUME	
	<input checked="" type="checkbox"/> RECOMPLETE DIFFERENT FORMATION	
	<input type="checkbox"/> RECLAMATION OF WELL SITE	
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	
	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	
	<input type="checkbox"/> TUBING REPAIR	
	<input type="checkbox"/> VENT OR FLARE	
	<input type="checkbox"/> WATER SHUTOFF	
	<input type="checkbox"/> SI TA STATUS EXTENSION	
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	
	<input type="checkbox"/> OTHER: _____	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. THE OPERATOR HAS PERFORMED THE RECOMPLETION ON THE SUBJECT WELL LOCATION. THE OPERATOR HAS RECOMPLETED THE NEWLY WASATCH AND MESAVERDE FORMATIONS. THE OPERATOR HAS COMMINGLED THE NEWLY WASATCH AND MESAVERDE FORMATIONS ALONG WITH THE EXISTING MESAVERDE FORMATION. THE OPERATOR HAS PLACED THE SUBJECT WELL LOCATION ON PRODUCTION ON 07/30/2009 AT 11:00 AM. PLEASE REFER TO THE ATTACHED RECOMPLETION CHRONOLOGICAL WELL HISTORY.		
<div style="text-align: right;"> Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY August 11, 2009 </div>		
NAME (PLEASE PRINT) Sheila Wopsock	PHONE NUMBER 435 781-7024	TITLE Regulatory Analyst
SIGNATURE N/A	DATE 8/10/2009	

ROCKIES
Operation Summary Report

Well: NBU 921-17J	Spud Conductor: 8/26/2008	Spud Date: 8/31/2008
Project: UTAH	Site: UINTAH	Rig Name No: MILES 2/2
Event: RECOMPLETION	Start Date: 7/13/2009	End Date: 7/29/2009

Active Datum: RKB @4,859.00ft (above Mean Sea Level)	UWI: NBU 921-17J
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Date	Time Start-End	Duration (hr)	Phase	Code	Subcode2	P/U	MD From (ft)	Operation
7/23/2009	7:00 - 7:30	0.50	COMP	48		P		HSM, CHECK WELL FOR H2S, ND WH NU BOPS, AND TRIPPING TBG.
	7:30 - 15:00	7.50	COMP	31	I	P		SICP 20 PSI, SITP 150 PSI, KILL TBG AND CSG W/ 40 BBLS 2% KCL. ND WH NU BOPS AND TEST TO 3,000# OK, UNLAND AND POOH W/ 314 JTS 23/8 L-80 S.L.M. AND CHECKING W/ BROACH.SWI SDFN. HAD SOME BARIUM SCALE IN UPPER ID OF TBG.
7/24/2009	7:00 - 7:30	0.50	COMP	48		P		JSA #2 RU CUTTERS
	7:30 - 15:00	7.50	COMP	33		P		KILL WELL WITH 20 BBLS 2 % KCL, RU CUTTERS. RIN H WITH GUAGE RING TO 9000'. POOH PU 10K CBP, RIH SET AT 8952' POOH CUTTERS WRELINE, TEST PLUG. NDBOP'S, NU FRAC VALVE, RU B & C QUICK TEST. FILL CSG WITH 130 BBLS 2 % KCL. TEST CSG,FRAC VALVE TO 6200#. RD B & C QUICK TEST. RU CUTTERS, RIH WITH 3-3/8" GUN, 23 GM, .36" HOLE. PERF 8760'-8764' WITH 3 SPF @ 120 DEGREE PH. PERF 8840'-8842' WITH 3 SPF @ 120 DEGREE PH PERF 8896'- 8898' WITH 3 SPF @ 120 DEGREE PH PERF 8916'-8920' WITH 4 SPF @ 90 DEGREE PH 40 SHOTS TOTAL.RD CUTTERS. SIFWE
7/27/2009	6:30 - 7:59	1.48	COMP	48		P		HSM. FRACING & PERFORATING. MIRU FRAC TECH & CUTTERS
	7:01 - 7:37	0.60	COMP	36	B	P		STG 1 WHP 1,210 PSI, BRK @ 3,561 PSI @ 11.2 BPM. ISIP 2,755 PSI, FG .76 PUMP 100 BBLS @ 52 BPM @ 5,100 PSI = 77% HOLES OPEN. MP 5,945 PSI, MR 53.4 BPM, AP 4,983 PSI, AR 50.1 BPM. ISIP 2,885 PSI, FG. .77, NPI 130 PSI, PUMP 1,249 BBLS OF SW & 35,886 LBS OF 30/50 SND & 5,000 LBS OF 20/40 RESIN SAND. TOTAL PROP 40,886 LBS.
	7:37 - 10:05	2.47	COMP	36	B	P		STG 2 PU 4 1/2" 8K CBP & 3 3/8" EXP GNS, 23 GRM, .36 HOLES, 120 DEG PHASING. RIH SET 8K HALIBURTON CBP @ 8,645'. PERF 8,616' - 20' 3SPF, 8,530' - 32' 3SPF, 8,414' - 18' 3SPF, 8,370' - 73' SPF, 39 HOLES. WHP 645 PSI, BRK @ 3,967 PSI @ 7.8 BPM. ISIP 2,490 PSI, FG .74 PUMP 100 BBLS @ 52 BPM @ 4,750 PSI = 72% HOLES OPEN. MP 6,204 PSI, MR 52.7 BPM, AP 4,178 PSI, AR 50.7 BPM. ISIP 2,461 PSI, FG. .73, NPI -29 PSI, PUMP 1,619 BBLS OF SW & 61,100 LBS OF 30/50 SND & 5,000 LBS OF 20/40 RESIN SAND. TOTAL PROP 66,100 LBS.

ROCKIES

Operation Summary Report

Well: NBU 921-17J		Spud Conductor: 8/26/2008		Spud Date: 8/31/2008	
Project: UTAH		Site: UINTAH			Rig Name No: MILES 2/2
Event: RECOMPLETION		Start Date: 7/13/2009		End Date: 7/29/2009	
Active Datum: RKB @4,859.00ft (above Mean Sea Level)			UWI: NBU 921-17J		

Date	Time Start-End	Duration (hr)	Phase	Code	Subco de2	P/U	MD From (ft)	Operation
	10:05 - 11:58	1.88	COMP	36	B	P		STG 3 PU 4 1/2" 8K CBP & 3 3/8" EXP GNS, 23 GRM, .36 HOLES, 90 & 120 DEG PHASING. RIH SET 8K HALIBURTON CBP @ 8,280'. PERF 8,246' - 50' 4SPF, 8,206' - 10' 3SPF, 8,080' - 84' 3SPF, 40 HOLES. WHP 525 PSI, BRK @ 3,697 PSI @ 6.9 BPM. ISIP 2,049 PSI, FG .70 PUMP 100 BBLS @ 50 BPM @ 4,580 PSI = 64% HOLES OPEN. MP 6,170 PSI, MR 52.1 BPM, AP 4,183 PSI, AR 50.4 BPM. ISIP 2,702 PSI, FG .78, NPI 653 PSI, PUMP 1,660 BBLS OF SW & 63,282 LBS OF 30/50 SND & 5,300 LBS OF 20/40 RESIN SAND. TOTAL PROP 68,582 LBS.
	11:58 - 13:10	1.20	COMP	36	B	P		STG 4 PU 4 1/2" 8K CBP & 3 3/8" EXP GNS, 23 GRM, .36 HOLES, 90 DEG PHASING. RIH SET 8K HALIBURTON CBP @ 7,524'. PERF 7,484' - 94' 4SPF, 40 HOLES. WHP 144 PSI, BRK @ 1,995 PSI @ 8.0 BPM. ISIP 1,336 PSI, FG .62 PUMP 100 BBLS @ 51.5 BPM @ 3,800 PSI = 63% HOLES OPEN. MP 5,757 PSI, MR 52.1 BPM, AP 3,734 PSI, AR 51.9 BPM. ISIP 2,078 PSI, FG .72, NPI 742 PSI, PUMP 681 BBLS OF SW & 20,826 LBS OF 30/50 SND & 5,280 LBS OF 20/40 RESIN SAND. TOTAL PROP 26,106 LBS.
	13:10 - 14:12	1.03	COMP	36	B	P		STG 5 PU 4 1/2" 8K CBP & 3 3/8" EXP GNS, 23 GRM, .36 HOLES, 90 DEG PHASING. RIH SET 8K HALIBURTON CBP @ 7,220'. PERF 7,178' - 88' 4SPF, 40 HOLES. WHP 145 PSI, BRK @ 1,913 PSI @ 7.9 BPM. ISIP 1,395 PSI, FG .67 PUMP 100 BBLS @ 51 BPM @ 3,650 PSI = 63% HOLES OPEN. MP 3,885 PSI, MR 52.7 BPM, AP 3,319 PSI, AR 51.0 BPM. ISIP 1,819 PSI, FG .70, NPI 424 PSI, PUMP 681 BBLS OF SW & 23,342 LBS OF 30/50 SND & 5,000 LBS OF 20/40 RESIN SAND. TOTAL PROP 26,106 LBS.
	14:12 - 15:47	1.58	COMP	36	B	P		STG 6 PU 4 1/2" 8K CBP & 3 3/8" EXP GNS, 23 GRM, .36 HOLES, 120 DEG PHASING. RIH SET 8K HALIBURTON CBP @ 6,418'. PERF 6,382' - 88' 3SPF, 6,296' - 6,300 3SPF, 6,142' - 46' 3SPF, 42 HOLES. WHP 0 PSI, BRK @ 1,601 PSI @ 8.4 BPM. ISIP 1,260 PSI, FG .65 PUMP 100 BBLS @ 51.5 BPM @ 3,000 PSI = 83% HOLES OPEN. MP 3,320 PSI, MR 59.7 BPM, AP 2,674 PSI, AR 50.9 BPM. ISIP 1,325 PSI, FG .66, NPI 65 PSI, PUMP 1,751 BBLS OF SW & 74,929 LBS OF 30/50 SND & 5,310 LBS OF 20/40 RESIN SAND. TOTAL PROP 80,239 LBS.

ROCKIES

Operation Summary Report

Well: NBU 921-17J		Spud Conductor: 8/26/2008		Spud Date: 8/31/2008	
Project: UTAH		Site: UINTAH			Rig Name No: MILES 2/2
Event: RECOMPLETION		Start Date: 7/13/2009		End Date: 7/29/2009	
Active Datum: RKB @4,859.00ft (above Mean Sea Level)			UWI: NBU 921-17J		

Date	Time Start-End	Duration (hr)	Phase	Code	Subco de2	P/U	MD From (ft)	Operation
	15:47 - 16:44	0.95	COMP	36	B	P		STG 7 PU 4 1/2" 8K CBP & 3 3/8" EXP GNS, 23 GRM, .36 HOLES, 90 DEG PHASING. RIH SET 8K HALIBURTON CBP @ 5,542'. PERF 5,502' - 12' 4SPF, 40 HOLES. WHP 0 PSI, BRK @ 2,054 PSI @ 6.4 BPM. ISIP 1,030 PSI, FG .63 PUMP 100 BBLs @ 50 BPM @ 3,000 PSI = 65% HOLES OPEN. MP 3,102 PSI, MR 55.7 BPM, AP 2,708 PSI, AR 52.8 BPM. ISIP 1,713 PSI, FG .76, NPI 683 PSI, PUMP 526 BBLs OF SW & 20,415 LBS OF 30/50 SND & 5,700 LBS OF 20/40 RESIN SAND. TOTAL PROP 26,114 LBS.
	16:44 - 18:30	1.77	COMP	34	I	P		KILL PLG. PU 4 1/2" HALIBURTON CBP. RIH SET CBP @ 5,452'. POOH W/ WIRE LINE. RDMO CUTTERS& FRAC TECH. SWI SDFN
7/28/2009	7:00 - 7:30	0.50	COMP	48		P		HSM. DRILLING CBP'S & LANDING PRODUCTION TUBING
	7:30 - 17:30	10.00	COMP	44	C	P		WHP 0 PSI, ND FRAC VALVES, NU BOP. PU 3 7/8" BIT & POBS. RIH W/ 86 STANDS. EOT @ 5,460'. RU POWER SWIVEL & BRK CIRCULATION. CLOSE PIPE RAMS & PRESSURE TEST BOP. RIH C/O 30' OF SND TAG PLG 1 @ 5,472' DRL PLG IN 10 MIN 400 PSI INCREASE. RIH C/O 15' OF SND TAG PLG 2 @ 5,542' DRL PLG IN 10 MIN 0 PSI INCREASE. RIH C/O 20' OF SND TAG PLG 3 @ 6,418' DRL PLG IN 7 MIN. 100 PSI INCREASE. RIH C/O 30' OF SNS TAG PLG 4 @ 7,218' DRL PLG IN 15 MIN 100 PSI INCREASE. RIH C/O 45' OF SND TAG PLG 5 @ 7,524' DRL PLG IN 15 MIN 200 PSI INCREASE. RIH C/O 30' OF SND TAG PLG 6 @ 8,280' DRL PLG IN 7 MIN 200 PSI INCREASE. RIH C/O 25' OF SND TAG PLG 7 @ 8,645' DRL PLG IN 7 MIN 300 PSI INCREASE. RIH C/O 20' OF SND TAG PLG 8 @ 8,952' CIRCULATE WELL CLEAN W/ 2% KCL WATER. POOH W/ 26 STANDS EOT @ 7,314', SWI SDFN
7/29/2009	7:00 - 7:30	0.50	COMP	48		P		HSM. DRILLING OUT CBP'S & LANDING PRODUCTION TUBING
	7:30 - 15:00	7.50	COMP	44	C	P		SICP 1,800 PSI. OPEN WELL TO FLOW BACK TANK. RIH W/26 STANDS. SWIVEL UP BRK CIRCULATION. POWER SWIVEL QUITE RUNNING. WAITED ON PARTS FOR 1 1/2 HSR. DRL PLG 8 @ 8,952' IN 10 MIN. LOST PRESSURE FROM 500 PSI TO 0 PSI. RIH C/O 41' OF FILL TO 10,287' PBTD. CIRC WELL CLEAN. RD POWER SWIVEL. POOH LD 10 JTS. LAND TBG W/ 314 JTS OF 2 3/8" 4.7# L-80. EOT @ 9,978.04'. DROP BALL TO SHEAR OFF BIT. PUMP OFF BIT @ 1,700 PSI. WELL WOULD NOT FLOW. RU FOAM UNIT PUMP FOAM DOWN TBG TO KICK OFF WELL. TURN WELL OVER TO FLOW TESTERS. RDMO WEATHERFORD FOAM UNIT THAT WE DID NOT USE. RDMO RIG. LD 6 BAD JTS SENT TO APC YARD 6 JTS FROM APC YARD TO WELL

ROCKIES

Operation Summary Report

Well: NBU 921-17J		Spud Conductor: 8/26/2008		Spud Date: 8/31/2008	
Project: UTAH		Site: UINTAH			Rig Name No: MILES 2/2
Event: RECOMPLETION		Start Date: 7/13/2009		End Date: 7/29/2009	
Active Datum: RKB @4,859.00ft (above Mean Sea Level)			UWI: NBU 921-17J		

Date	Time Start-End	Duration (hr)	Phase	Code	Subco de2	P/U	MD From (ft)	Operation
7/30/2009	7:00 -			33	A			7 AM FLBK REPORT: CP 2050#, TP 1425#, 20/64" CK, 25 BWPH, CUP SAND, - GAS TTL BBLS RECOVERED: 3215 BBLS LEFT TO RECOVER: 4928
	11:00 -		PROD	50				WELL TURNED TO SALE @ 1100 HR ON 7/30/2009 - FTP 1425#, CP2100#, 1800 MCFD, 20 BWPD, 20/64 CK
7/31/2009	7:00 -			33	A			7 AM FLBK REPORT: CP 2050#, TP 1400#, 20/64" CK, 18 BWPH, 1/4 cup SAND, - GAS TTL BBLS RECOVERED: 3689 BBLS LEFT TO RECOVER: 4454
8/1/2009	7:00 -			33	A			7 AM FLBK REPORT: CP 2000#, TP 1350#, 20/64" CK, 15 BWPH, CLEAN SAND, 2028 GAS TTL BBLS RECOVERED: 4095 BBLS LEFT TO RECOVER: 4048